



**MINISTRY OF SOCIAL  
DEVELOPMENT**

TE MANATŪ WHAKAHIATO ORA

# **Cost-effectiveness of MSD employment assistance**

**Summary report for 2016/2017 financial year**

**February 2019**

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# Executive summary

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This annual report summarises the Ministry's evidence on the effectiveness of its employment assistance (EA) and case management (CM) expenditure up to the end of the 2016/2017 financial year.

The analysis presented in the current report differs in several ways from previous EA effectiveness reports. In this report, we:

- split the analysis between discrete EA interventions, such as training programmes and CM services that incorporate individual EA interventions as well as case manager's time working with people
- included the impact of EA interventions on education achievement, and justice outcomes using data from the Statistics New Zealand Integrated Data Infrastructure (SNZ IDI)
- switched to reporting intervention effectiveness ratings by financial year rather than as an overall average
- undertake a welfare focused cost-benefit analysis (wCBA) for selected EA interventions and CM services
- analysis of the effectiveness of interventions by the individual participant cohorts to identify if interventions performance is changing over time.

## Key results

We divide the results between discrete EA interventions (eg wage subsidies, job placement and training programmes) and CM services (ie assigning people to a specific case-management service). The reason for splitting the analysis along these lines is that EA interventions and CM services overlap each other in two ways. The first is that a significant part of CM service expenditure is on EA interventions. The second is that CM effectiveness occurs, in part, through the provision of discrete EA interventions within each CM service.

## Discrete Employment Assistance interventions

In this year's report, we assessed the effectiveness of EA interventions on up to five outcome domains: employment, income, justice, qualifications and welfare.

- In the 2016/2017 financial year, MSD spent a total of \$516 million<sup>1,2</sup> on discrete employment interventions, of which we could rate the effectiveness of \$206 million (40%). For the effectiveness rating of individual interventions see Table 2, page 14. The remainder could not be evaluated because: (i) it was not feasible (\$277 million), (ii) it was too soon to report (\$5.3 million) or (iii) the analysis has not been

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<sup>1</sup> Expenditure is expressed in nominal dollars (ie not CPI adjusted) and includes indirect costs. Appendix 2 summarises how we calculated the cost of EA interventions.

<sup>2</sup> In this report, we round expenditure values to the nearest million dollars for values over 10 million dollars and to the nearest \$100,000 for values under 10 million dollars.

undertaken as yet (\$27 million). The majority of not rated expenditure was on childcare assistance (\$227 million).

### **2016/2017 saw a fall in expenditure with an effectiveness rating**

- 2016/2017 had the lowest proportion of spending that we could rate for effectiveness. This decrease was driven both by a fall in expenditure on EA interventions that could be rated, from a high of \$299 million in 2011/2012 to \$206 million in 2016/2017 as well as a sharp increase in expenditure on interventions where it was not feasible to estimate effectiveness. Part of this 2016/2017 increase was because of the temporary Earthquake Support Subsidy (\$17 million).

### **Of rated EA interventions, 72% of expenditure was on promising or effective**

- In 2016/2017, the amount spent on discrete EA interventions rated as effective or promising makes up the largest proportion of the evaluated spend at \$149 million out of \$206 million. However, the total level of expenditure in the effective and promising categories has decreased since the high point of 2013/2014, led by the reduction in spending on Training for Work and Flexi-wage (Basic/Plus).
- After effective and promising, the second largest spend was on discrete EA interventions rated as mixed (\$32 million). Mixed EA interventions show both positive and negative impacts on two or more outcome domains. The largest intervention in this group was Vocational Services Employment (\$31 million) which increases the time in employment and income but may reduce time independent of welfare<sup>3</sup> in the long-term.
- The only intervention rated as negative was the Youth Service (NEET) (\$16 million).

### **Welfare cost-benefit analysis (wCBA)**

In this report, we also examined the welfare CBA for discrete EA interventions. In Welfare CBA, the investment includes the cost to MSD of delivering an intervention, while returns occur through savings in income support and EA-related costs. We present wCBA as a net-return (ie sum of returns minus the investment cost, so that values over zero shows the intervention's returns exceeded its investment cost). Welfare costs is a narrow lens by which to judge the cost-effectiveness of EA interventions in that it only includes welfare costs and only values these from a government perspective. Because of these limitations, we do not consider wCBA as a useful metric for determining the overall cost-effectiveness of EA interventions. In subsequent reports, we plan to expand our cost-effectiveness to include a wider range of outcomes and begin to value these from a society-wide perspective.

Of the EA interventions where we had a wCBA, the majority had a positive net return. In other words, the welfare returns<sup>4</sup> exceeded the MSD investment in the intervention. However, we are cautious about these results as we have not yet included adjustments

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<sup>3</sup> No longer receiving a main benefit (eg Jobseeker Allowance, Sole Parent Support or Supported Living Payment) or receiving employment assistance, such as wage subsidies that mean people are off main benefit but still receiving assistance.

<sup>4</sup> Welfare returns include avoided income support payments and administration costs as well as reduced case-management and employment assistance costs.

for non-participant effects (eg substitution and displacement)<sup>5</sup> that would reduce the returns reported here. Non-participant effects, such as substitution and displacement apply to job placement interventions, such as hiring subsidies, vacancy placement and job search interventions.

## **Case Management (CM) services**

From July 2013 people receiving income support assistance are allocated to specific CM services. These services vary by both level and makeup of the caseload, so some people on income support receive more intensive case management, and some case managers specialise in working with certain groups (eg those with a health condition or disability). Within each service, case managers are responsible for maintaining people's income support entitlements as well as helping them move into employment. However, we have excluded expenditure on the administration of income support, integrity, social housing and study assistance as well as social support from this analysis.

In 2016/2017, case management (including discrete EA interventions) cost \$279 million. General Case Management (GCM, \$77 million) is the default CM service people are assigned to and is the service which the more intensive CM services are compared against (where possible). For this reason, we cannot give GCM a specific effectiveness rating.

Of the remaining case-management services (\$202 million), all were found to be effective in reducing the time participants spent on main benefit<sup>6</sup> relative to GCM. When we calculated the wCBA for CM services, six of the eight services were cost-effective, with one breaking even.

Because we have only estimated the impact of CM services on welfare outcomes, we need to be more cautious about making conclusions about their social value until we have information on the impact of CM services on participants' wider outcomes, such as income and employment.

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<sup>5</sup> Non-participant effects are the impact of employment interventions on people who did not participate in the intervention, but are affected by it. Two important effects are, substitution (a participant takes a vacancy that would have been filled by someone else) and displacement (subsidised labour can reduce employment among competing firms).

<sup>6</sup> In New Zealand income support is split into three levels. Level 1 is main benefits, such as Jobseeker Support, Sole Parent Support and Supported Living Payment. Second level payments cover regular additional costs, such as accommodation and disabilities. The third level is for infrequent or one-off costs, such as unexpected repair costs or school fees.

## **Next steps**

Over the next updates to this analysis, we plan to make the following improvements and enhancements.

1. Undertake more of the analysis using SNZ IDI data, to:
  - 1.1. propensity score match EA interventions using IDI profile information
  - 1.2. expand the impact analysis for EA interventions and CM service where we have only welfare impacts
  - 1.3. increase the number of outcome domains, including mortality, fertility rates and health care use.
2. Develop a social cost-benefit methodology to estimate the net benefit of EA interventions and CM services to contribute to MSD's work on investment in social wellbeing.

# Introduction

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This annual report summarises the Ministry's evidence on the effectiveness of its employment assistance (EA) and case-management (CM) service expenditure up to the end of the 2016/2017 financial year. The purpose of this report is to show progress towards delivering cost-effective EA interventions and CM services. In doing so, MSD can demonstrate both its implementation of investment for social wellbeing, as well as, meeting its obligations under the Public Finance Act.<sup>7</sup>

## Definition of Employment Assistance interventions and Case Management services

Unlike the 2014/2015 report, we have split the analysis between discrete EA interventions and CM services. The main reason for this split is that many EA interventions are delivered as part of CM services. More than a third of expenditure on EA interventions in 2016/2017 sits within the provision of CM services.

### ***Employment Assistance (EA) interventions***

We confine our analysis to MSD funded EA interventions with the goal of helping people prepare, find, move into or sustain employment. The term EA intervention includes discrete policies, services and programmes either run internally or contracted out. Note that some interventions included in this report may have other objectives in addition to employment.

### ***Case Management (CM) services***

From July 2013, everyone receiving income support assistance was assigned to a specific CM service. CM services vary by both level and makeup of the caseload, so some people on income support receive more intensive case management, and some case managers specialise in working with certain groups (eg those with a health condition or disability). Within each service, case managers are responsible for maintaining people's income support entitlements as well as helping them move into employment.

## Assessing effectiveness

By effectiveness, we mean whether an EA intervention or CM service improves participants' outcomes relative to the counterfactual (ie the outcomes participants would have had if they had not participated). In the current analysis, we assess effectiveness against five main outcomes that we expect EA interventions to have an impact on:

- **Employment:** the overarching goal of EA interventions is to increase the time participants spend in employment over the long term.

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<sup>7</sup> PFA (2013) Section 34, 2b: The chief executive of a department that administers an appropriation — is responsible for advising the appropriation minister on the efficiency and effectiveness of any departmental expenses or departmental capital expenditure under that appropriation.

- **Income:** we judge interventions to have a positive impact if they increase participants' overall income.<sup>8</sup>
- **Justice:** interventions are effective if they reduce time in corrections services.
- **Education qualifications:** effective interventions can also increase the participants' highest education achievement as measured by the NQF.<sup>9</sup>
- **Independent of welfare:** most, but not all, EA interventions also aim to increase the time that participants are independent of welfare assistance (ie not on a main benefit or receiving employment assistance).

While these outcome domains are important, we acknowledge that they are not comprehensive. We plan to increase the number of outcome domains included in the analysis over subsequent reports.

Because intervention effects often vary over time, the follow-up period that impacts are measured over is important. In the case of EA interventions, we often see short-term negative impacts while people are participating in interventions, so-called 'lock-in' effects. For some interventions, the positive effects occur over the medium to long term. On the other hand, our analysis will mostly cover short to medium term impacts. For this reason, we try and account for potential (ie unobserved) long-term impacts to provide a balanced assessment of EA interventions' overall impact. At a minimum, we reserve judgement on whether an intervention is **unlikely** to be effective until we have at least two years of post-participation impacts.

Based on the impact on one or more of the above outcome domains, we categorise EA interventions or CM services into the following groups:

- **Effective:** the intervention has significant positive overall impacts on one or more outcome domains and no negative impacts for any other domain.
- **Promising:** trend in impacts across outcome domains indicates the intervention is expected to have a significant positive overall impact over the medium to long term.
- **Mixed:** the intervention has both positive and negative impacts on different outcome domains (eg positive impact on time independent of welfare, but a negative impact on overall income).
- **Makes no difference:** the intervention makes no significant difference on any outcome domain.
- **Likely negative:** based on the trend in intervention impacts we expect it to have a long-term negative overall impact on one or more outcome domains.
- **Negative:** the intervention has a significantly negative overall impact for one or more outcome domain and no positive impacts for any other.

In addition to the effectiveness categories above, we have three additional categories for non-rated EA interventions or CM services.

- **Too soon to rate:** there has been insufficient time to judge whether the intervention is effective. Specifically, we generally do not rate an intervention until we have at

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<sup>8</sup> Currently we do not have a reliable measure of household income so the analysis is based on individual income only and does not account for the number of dependents a person might have.

<sup>9</sup> National Qualifications Framework.

least two years of outcome results unless it shows positive effects within the two year window.

- **Not feasible:** it is currently not technically possible to evaluate the effectiveness of the intervention.
- **Not rated:** we have not yet assessed the effectiveness of the intervention.

We have a separate technical report that provides further detail on how we estimated the impact of EA interventions and how we rated each intervention's overall effectiveness (de Boer & Ku, 2018).

## **Important aspects of the analysis**

There are several aspects of the analysis that the reader needs to keep in mind.

### ***Estimation of effectiveness***

Determining the difference (or impact) interventions make is technically difficult. We use a range of methods to estimate the impact, from very robust methods, such as Randomised Control Trials, through to less robust methods, such as Propensity Score Matching and natural experiments. For the latter group of methods, there is a risk that the reported impacts may be biased (ie the reported impact either over or underestimates the true impact). Having said this, the impacts presented in this report are the best currently available for each EA intervention.

Where we consider there is no sufficiently robust method, we define the intervention effectiveness as 'Not feasible'. We acknowledge that it is a judgement call as to whether an impact method is sufficiently robust. Within this reporting series, we have changed previously rated interventions to be not feasible. For example, in previous reports, we gave an effectiveness rating to widespread, high-frequency job search seminars, but we now consider it is not feasible to estimate the impact of these types of interventions as individual events. This issue is picked up in more detail later in the report.

### ***Some interventions are worth funding even if we cannot assess their effectiveness***

As observed in the previous paragraph, while we strive to assess the effectiveness of all interventions, this is not always possible. However, not being able to assess effectiveness should not preclude funding an intervention if, on balance, we believe it fills a real need and is likely to be effective based on indirect evidence. For example, there is little debate about the need to provide childcare assistance to enable low-income families to work.

### ***Effectiveness ratings do change***

The analysis underpinning this report is continually updated. Updates involve extending our follow-up period for measuring intervention's impacts (currently at a maximum of 18 years), the addition of new interventions, improvements and corrections to our methodology. Similarly, the performance of individual interventions has changed over time (two examples covered in this report, are Training Incentive Allowance and Limited Services Volunteers).

### ***We have not accounted for non-participant effects***

The focus of this report is on interventions' impact on participants. We have not accounted for impacts on non-participants. For EA interventions, two important non-participant effects are (i) substitution and (ii) displacement. Substitution occurs when a participant takes a vacancy that would have been filled by someone else and is most likely to occur for job placement programmes. Displacement occurs when subsidised labour can reduce employment among competing firms and is of most concern for subsidy-based interventions.

### ***No cross-validation with international evidence***

At this stage, we have not included international evidence. Cross-validation with international experience is useful in identifying where New Zealand's experience differs from other jurisdictions. In cases where there is contradictory evidence, we need to more carefully understand why this difference impacts.

### ***Assessing diverse interventions against a common standard***

In some cases, EA interventions or CM service have objectives not included in the outcomes covered in this report (eg ensuring entitlement to income support). We acknowledge that we may understate the full scope of these interventions.

At the other end of the spectrum, some EA interventions may seek to increase employment, but not to reduce time independent of welfare (eg for people with health or disability for whom full-time work may not be an option). In the analysis, we do not penalise an intervention if it has **no** significant impact on one or more outcome domain (eg an effective intervention can increase employment, but not change time independent of welfare). However, we argue that interventions should at minimum have **no** negative impacts against the above outcome domains (eg if an intervention increases employment, but also decreases time independent of welfare then it is given a mixed rating).

### ***No assessment of the relative size of effects***

The effectiveness rating assessment does not account for the relative size of effects. In other words, are the impacts large relative to the cost of the intervention? We plan to address this issue through subsequent cost-benefit analysis that will enable better accounting of both the size and direction of intervention effects.

### ***Two-year outcome period may be too short for some interventions***

For certain interventions, such as long-term training programmes, it can take longer than two years before we see an overall positive impact.<sup>10</sup> We partly address this issue by including the projection of the long-term impact of interventions in our analysis. However, it may still be the case that for these interventions, as well as certain sub-groups, such as sole parents, we need to allow a longer period before determining if the intervention is effective overall.

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<sup>10</sup> EA interventions have a general pattern whereby the early effects of the intervention are often negative, caused by intervention lock-in effects, while positive effects generally occur over the medium to long term.

### ***The analysis covers all interventions since 2000***

Although the current report focuses on interventions run in 2016/2017 and covers all interventions since 2010/2011, we continue to monitor the effectiveness of all EA interventions since 2000. Therefore, we re-assess the performance of discontinued interventions, so that we have this information available when considering proposals for introducing similar EA interventions in the future.

### ***Information in this report is insufficient for making decisions on the future of individual EA interventions***

As the previous comments make clear, the information in this report, on its own, is insufficient to make recommendations on the future of any individual intervention. Instead, the findings in the report help point to where we need to better understand the effectiveness and cost-effectiveness of individual EA interventions and CM services. It is through this more detailed investigation of the evidence that informs the future of the interventions covered in this report.

### **Structure of the report**

The report is structured as follows. The main body of the report summarises the evidence on the effectiveness of EA interventions and CM service expenditure in the 2016/2017 financial year compared with previous financial years. Appendix 1 provides a tabular summary of effectiveness results for individual EA interventions and CM services. Appendix 2 describes how we estimated the cost of EA interventions and CM services as well as summarising the cost of EA interventions and CM services funded since 2010/2011. Appendix 3 describes an accompanying data file (csv) with the numerical outcome and impact estimates for all EA interventions included in this report. Appendix 4 provides short descriptions of the interventions covered in this report. A summary of the methodology underpinning the analysis is in a separate technical report (de Boer & Ku, 2018).

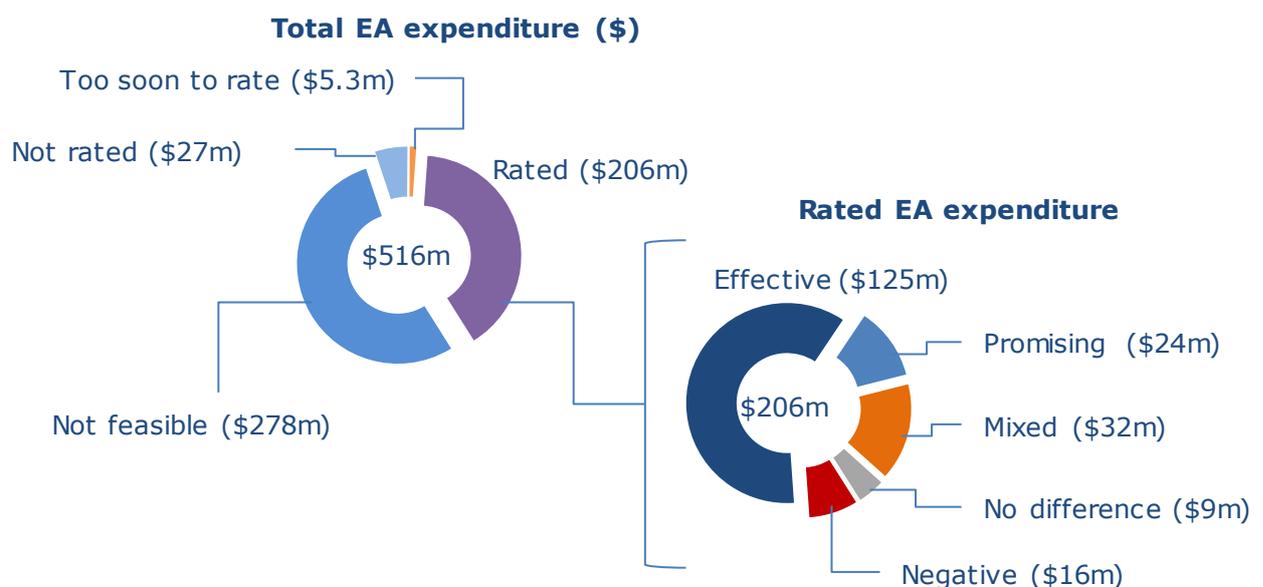
# The effectiveness of discrete Employment Assistance interventions

In this section of the report, we focus on discrete EA interventions; with the evidence on CM services covered in the following section.

In the 2016/2017 financial year, MSD spent a total of \$516 million<sup>11</sup> on employment interventions, of which we could rate the effectiveness of \$206 million (40%). 2016/2017 had the lowest level of rated expenditure since 2010/2011; both in total expenditure as well as a proportion of total spend.

As Figure 1 shows, we could not rate interventions for three reasons: (i) cannot feasibly rate effectiveness (\$278 million), (ii) it was too soon to assess its effectiveness (\$5.3 million), (iii) we have not yet undertaken the required analysis (\$27 million). Childcare assistance interventions make up most of the non-evaluated expenditure (\$227 million). For descriptions of what specific interventions are, please refer to Appendix 4.

**Figure 1: Effectiveness of EA expenditure in 2016/2017**



**Too soon to rate:** less than two years of outcomes, **Not rated:** we have not yet undertaken an impact assessment, **Not feasible:** intervention design or context prevents an assessment of the intervention's effectiveness. **Rated:** we have rated the intervention for effectiveness.

**Effective:** significant positive overall impact, **Promising:** expected to have an overall positive impact, **Mixed:** intervention has both positive and negative impacts, **No difference:** makes no significant difference, **Likely negative:** expected to have an overall negative impact, **Negative:** significantly negative overall impact.

Expenditure values are nominal.

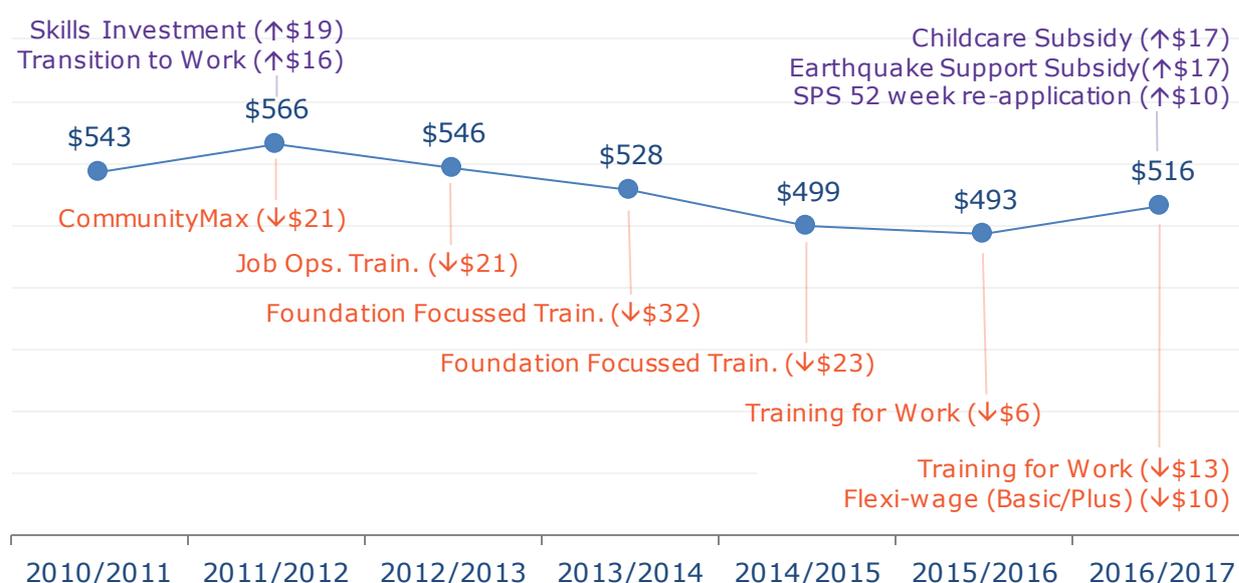
<sup>11</sup> Expenditure is expressed in nominal dollars (ie not CPI adjusted). Appendix 2 summarises how we calculated the cost of EA interventions.

We based effectiveness on whether EA interventions improve participants' outcomes across one or more of the following five outcome domains: income, employment, justice, education qualifications and independence from welfare. From Figure 1, we can see that, of evaluated expenditure (\$206 million), \$149 million (72%) went on effective or promising employment assistance, \$32 million (16%) went on EA interventions with mixed effectiveness, and \$25 million (12%) went on interventions that either made no difference or had a negative effect.

## The trend in EA expenditure over time

Figure 2 summarised the total expenditure on EA interventions over each financial year from 2010/2011 onwards. Overlaid are the substantial changes in funding of individual EA interventions for each financial year. The most important change over the analysis period was the end of Foundation Focused Training over 2012/2013 and 2013/2014 with the funding transferred to the Ministry of Education. The increase in expenditure in 2016/2017 was driven by increases in Childcare Subsidy and the one-off funding of the Earthquake Support Subsidy.

**Figure 2: Total expenditure on discrete EA interventions by financial year (millions)**



Truncated names in the chart are Foundation Focused Training, Job Opportunities with Training, Sole Parent Support 52-week re-application.

We have not shown shifts in funding between similar interventions; these include Skill Investment to Flexi-Wage (Basic Plus) in 2012/2013; Training Opportunities to Training for Work and Foundation Focused Training in 2011/2012; Youth Transition Service to Youth Service (NEETS) in 2012/2013.

Values are in millions of dollars, expressed as nominal values (ie not CPI adjusted).

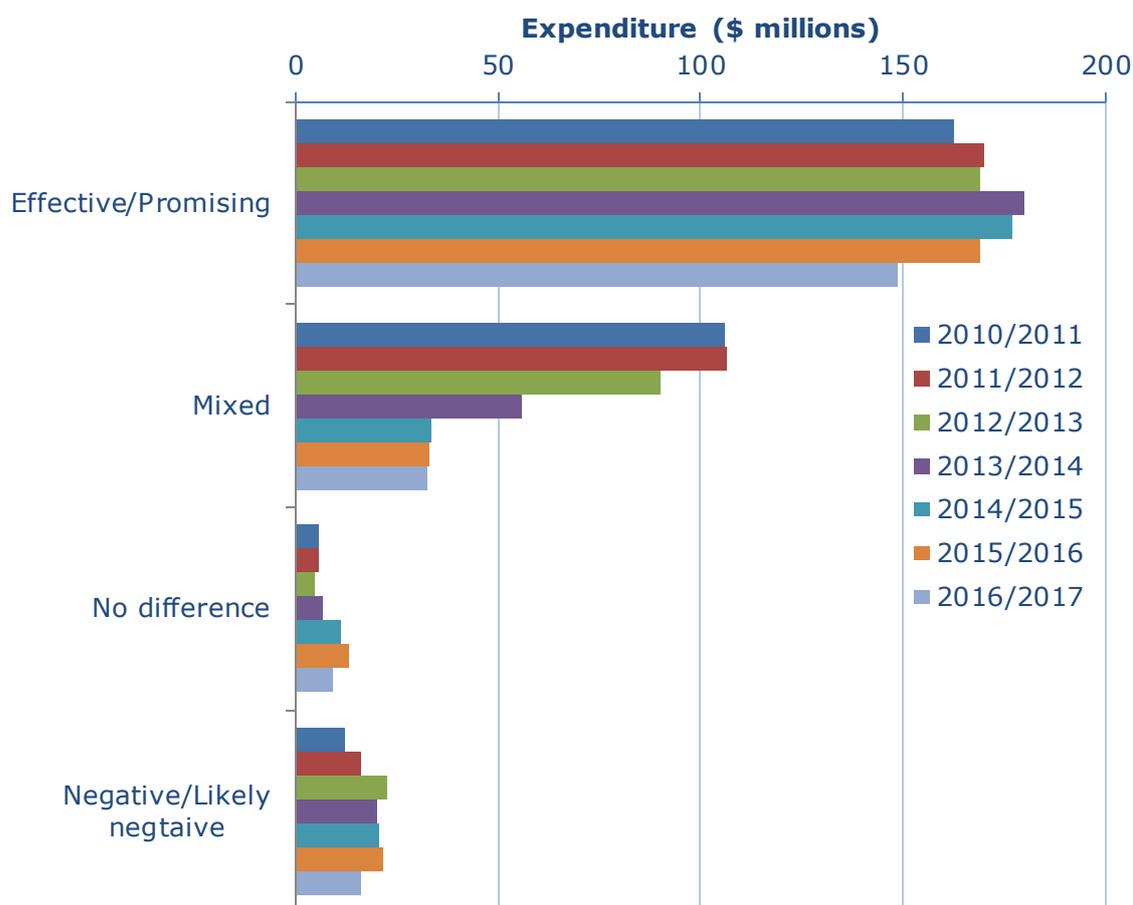
## The trend in performance over time

Figure 3 compares the effectiveness of EA expenditure over the financial years between 2010/2011 and 2016/2017. In the previous versions of this report, we showed the effectiveness rating for each annual report (eg the 2010/2011 rating was that reported in the 2012 report). This year we have switched to reporting the rating based on the most current evidence available by financial year. For example, we based the rating for

2010/2011 expenditure on the experience of people who participated in EA interventions in 2010/1011 using the evidence available up to the end of 2017. Table 11 (page 37) summarises the rating of interventions across successive annual reports for readers interested in seeing how the overall rating of individual interventions has changed between reports.

There are two reasons for this change in reporting. The first is that we now assess the effectiveness of interventions against multiple outcome domains, while we previously assessed effectiveness on a more limited set of outcomes (primarily independence of welfare). The second is that we now report the effectiveness of EA interventions separately for each participation year, rather than an average effectiveness rating over all the years the intervention operated. Following each participation year allows us to track whether the performance of individual interventions is changing over time (ie is an intervention more or less effective for people who have participated in more recent years).

**Figure 3: Effectiveness rating of EA expenditure by financial year**



Expenditure is in nominal dollars.

The main theme from Figure 3 is the fall in expenditure in the Mixed category. Expenditure on interventions in the Effective/Promising increased until 2013/2014 after which we see a decline. There continue to be several interventions that we rate as either

making no difference or likely to have a negative impact. The largest intervention in this group is the Youth Service (NEET).

### ***Timeline of key changes in the effectiveness of Employment Assistance interventions***

Table 1 summaries the major changes to EA interventions that help explain the observed trends in Figure 3. In addition to the changes in specific EA interventions, there are also long-term changes in the level of funding of individual EA interventions. For example, the fall in funding of the Effective/Promising category is explained in part by the halving of funding for Training for Work from a high of \$38 million in 2013/2014 to \$17 million in 2016/2017. For expenditure on all interventions see Table 15 on page 49. In some cases, expenditure was transferred to other EA interventions. However, there has been a reduction in the overall spend on EA interventions, most notably the transfer of the Foundation Focused Training funding from MSD to the Ministry of Education over the 2012/2013 and 2013/2014 financial years.

**Table 1: Timeline of key changes to EA intervention funding**

<b>Rating</b>	<b>Year</b>	<b>Intervention</b>	<b>Description</b>
Effective/Promising	2010/2011	Job Ops (\$25 m)	Ceased
		CommunityMax (\$21 m)	Ceased
	2011/2012	Job Opportunities with Training (\$17 m)	Ceased
Mixed	2012/2013	Youth Service (YP) (\$10 m) Youth Service (YPP) (\$5 m)	Started
	2011/2012	Vacancy Placement Full time (\$15 m)	Rated as mixed for this financial year only
Negative/Likely negative	2012/2013	Foundation Focused Training (\$55 m)	Ceased operating over 2012/2013 – 2013/2014.
	2011/2012	Youth Transitions Services (\$13 m)	Ceased
	2012/2013	Youth Service (NEET) (\$20 m)	Started

## Employment Assistance intervention performance in 2016/2017

Table 2 shows effectiveness ratings for EA interventions funded in the 2016/2017 financial year. For detailed results on individual interventions, refer to Appendix 1 (page 28).

### Effective/Promising (\$149 million)

Effective and promising EA interventions have overall positive impacts across one or more of the five main outcome domains. We can categorise effective/promising EA interventions into four broad types.

- **Job placement interventions:** these include vacancy placement both in-house (Full time and Part time) and contracted out (Employment Placement or Assistance Initiative), hiring subsidies (Flexi-Wage (Basic/Plus)) and training for pre-determined employment (Skills for Industry). We need to acknowledge that while job placement interventions are effective for participants, they can have negative impacts on non-participants<sup>12</sup> that we have not taken into account in this analysis.
- **Work obligation focused interventions:** interventions that use work obligation requirements to ensure people are actively seeking employment. This group includes the 52-week reapplication for Jobseeker Support Work Ready and the pre-benefit seminar WRK4U. However, these results are based only on the impact on independence from welfare;<sup>13</sup> we have not yet estimated the impact of these interventions on other outcome domains.

**Table 2: EA interventions by effectiveness rating in 2016/2017**

Effective/Promising	Mixed/No difference/Negative
<b>Effective (\$125m)</b> Employment Placement or Assistance Initiative (\$30m) Flexi-wage (Basic/Plus) (\$29m) Skills for Industry (\$20m) Training for Work (\$17m) Job Seeker Work Ready 52 week benefit reapplication (\$11m) WRK4U (\$5.9m) Limited Services Volunteer (\$5.5m) Youth Service (YPP) (\$4.6m) Sole Parent Employment Service Trial (\$1.7m)	<b>Mixed (\$32m)</b> Vocational Services Employment (\$31m) Health Interventions (\$1.2m) Outward Bound (\$0.2m)
<b>Promising (\$24m)</b> Youth Service (YP) (\$11m) Vacancy Placement Full time (\$6.7m) Course Participation Grant (\$2.6m) Vacancy Placement Part-time (\$2.3m) Training Incentive Allowance (\$1.8m)	<b>No difference (\$9.0m)</b> Job Search Initiatives (\$4.5m) New Initiative (\$2.1m) Work Confidence (\$1.3m) Youth Seminar (\$0.6m) Careers Guidance and Counselling (\$0.3m) Activity in the Community (\$0.3m)
	<b>Negative (\$16m)</b> Youth Service (NEET) (\$16m)

Values may not add due to rounding.

<sup>12</sup> These are substitution (a participant takes a vacancy that would have been filled by someone else) and displacement (subsidised labour can reduce employment among competing firms) effects.

<sup>13</sup> No longer receiving a main benefit (eg Jobseeker Allowance, Sole Parent Support or Supported Living Payment) or receiving employment assistance, such as wage subsidies that mean people are off main benefit but still receiving assistance.

- **Short-term training courses:** Training for Work (\$17 million) contracts short duration training courses for people who are likely to be on main benefit long term.
- **Contracted-out case management:** some of contracted-out case-management services do show positive effects (Youth Service (YPP/YPP)<sup>14</sup> and Sole Parent Employment Service Trial). However, there is an equal number that had not been effective (ie Youth Service (NEETS) and Mental Health Employment Service<sup>15</sup>). Therefore, contracted-out case management is not unambiguously more effective than in-house case management.

### ***Limited Services Volunteer (\$5.5 million)***

The Limited Services Volunteer (LSV) programme has shifted its effectiveness rating from Negative in 2014 (MSD, 2014) to Effective in the current analysis. The reason for the change in LSV's effectiveness rating is twofold. The first is that updates to the matching method have resulted in previous negative impacts becoming non-significant. The second reason is that the effectiveness of LSV has improved over time. For people starting LSV from 2012 onwards, we find LSV has larger positive impacts on income, employment and independence from welfare than for people who participated before 2012. However, these impacts are still relatively small, and, therefore, subsequent updates to the methodology may well alter LSV's rating in the future. The key planned methodology change is the shift from matching participants and comparison group using MSD data alone, to one that uses the fuller IDI data.

### ***Training Incentive Allowance (\$1.8 million)***

Training Incentive Allowance (TIA) was introduced in 1983 to assist sole parents on main benefit to study for tertiary qualifications to enable them to gain well-paid employment to help cover childcare costs while working. Over the last 20 years, the level of study supported by TIA has fallen, so that after May 2010 only courses at NQF 3 and below were funded (ie school level qualifications). Over our analysis period, the number of participants and expenditure on TIA has also fallen, expenditure decreased from \$10 million in 2010/2011 to \$1.8 million by 2016/2017. At the same time, there has been a decline in TIA's effectiveness in increasing participants' income, employment and education participation. While we cannot directly identify the link between restricting the NQF level and performance of TIA, a separate analysis of people on income support commencing tertiary study finds the returns to studying are higher for tertiary level qualifications (NQF4+) compared with lower level qualifications (Crichton, 2013).<sup>16</sup>

### ***Mixed (\$32 million)***

Interventions rated as mixed generally have both positive and negative impacts on one or more outcome domain. In some instances, this is expected. For example, Vocational Services Employment (\$31 million) has a negative impact on educational achievement by directing participants into employment, rather than into further education or training.

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<sup>14</sup> Analysis was undertaken by The Treasury (McLeod, Dixon, & Crichton, 2016).

<sup>15</sup> Based on the evaluation findings, the trial ended in 2016 and was replaced by the Work to Wellness programme.

<sup>16</sup> The caveat is that people need to gain the qualification for the study to have a positive impact on employment and income.

The overall effectiveness of Vocational Services Employment has improved over the last 11 years, with participants showing positive impacts on both overall income and time in employment.

### **No difference (\$9 million)**

For interventions that have small overall effects, we cannot always identify whether these effects are statistically significant or not. In some instances, this may mean the intervention is still useful, but current methods are not able to identify its impact. For example, Careers Guidance and Counselling programmes are dependent on several intermediate steps for the effect of providing advice to have an impact on employment, income or education achievement.

### **Negative (\$16 million)**

This year Youth Service (NEET)<sup>17</sup> was the only intervention given a Negative effectiveness rating. The Youth Service (NEET) targets young people transitioning from school who are at risk of not participating in education, training, or employment. The analysis of the impact of Youth Service (NEET) found it did achieve the objectives of increasing education retention and increasing NQF 2 qualifications gained. However, these did not translate into improvements in subsequent outcomes. In particular, over the following 18 to 24 months, Youth Service (NEET), raised time on income support, reduced the time in employment and fewer participants gained an NQF3 qualification than the comparison group (Dixon & Crichton, 2016). Service Delivery is working on changes to the targeting and design of the Youth Service (NEET) to improve its effectiveness.

### **Not rated interventions (\$281 million)**

Of the total expenditure on discrete EA interventions, the amount given an effectiveness rating has decreased over the last seven years (Figure 4). This decrease has been driven both by a general decline in expenditure on EA interventions, as well as the removal of funding for ineffective interventions such as Foundation Focused Training. In 2016/2017, we see a sharp fall in rated expenditure and a corresponding increase in expenditure rated as not feasible to assess. The reduction in rated expenditure between 2015/2016 and 2016/2017 was through Training for Work (-\$13m), Flexi Wage (Basic/Plus) (-\$10m) and Youth Service (NEETS) (-\$6m). The increase in not feasible expenditure came from increases in Childcare Subsidy (\$17m) and the Earthquake Support Subsidy (\$17m). The latter being a one-off event.

Table 3 breaks down the not rated EA intervention expenditure by reason for the 2016/2017 financial year. There are three broad reasons for not having an effectiveness rating for an intervention: (i) too soon to rate, (ii) not feasible and (iii) not completed.

### **Too soon to rate (\$5.3 million)**

We are in the process of evaluating the effectiveness of \$5.3 million of EA interventions. Currently, it is too soon to determine whether they are effective over the medium to long

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<sup>17</sup> Not in Education, Employment or Training.

term. Our position is not to rate an intervention as making no difference or negative until we can follow the participants' outcomes for at least two years after they have started the intervention.

### Not feasible (\$281 million)

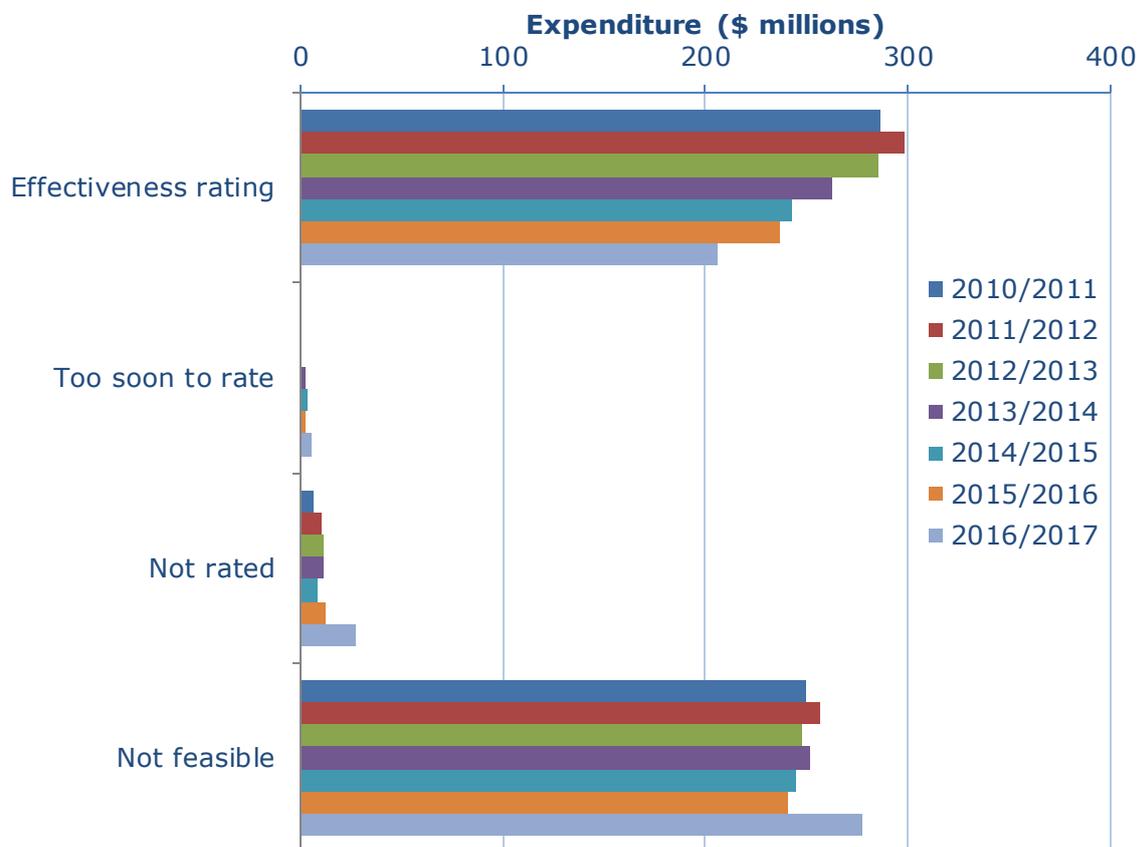
- These are interventions implemented in such a way that it is not possible to estimate difference they make at this time. A not feasible assessment does not rule out the possibility of evaluating these interventions in the future. However, to do so, would require a dedicated evaluation design. Such designs would either involve some form randomisation or a change to the delivery of these interventions. Below are the broad reasons why it is not currently feasible to evaluate a given interventions' effectiveness.

Table 8 (page 29) provides the specific reason why it is currently not feasible to estimate the effectiveness of each EA intervention listed in Table 3.

### Entitlement based interventions

Although most EA interventions are discretionary, there is a number where entitlement is defined in law. The largest intervention in this group is Childcare Assistance (\$209 million). Here, everyone who is eligible, and would like to use Childcare Assistance, can do so. As a result, there is no comparable group of non-participating parents to compare against the participants. We also do not have a historical comparison group, as childcare assistance has been available since before our administrative records began in 1993.

Figure 4: EA intervention expenditure by whether the intervention has been rated or not



Expenditure is in nominal dollars.

It may be possible to examine the effectiveness of childcare assistance indirectly through an information campaign where one group is given information about their entitlement and another is not. By comparing the two groups, we can see if the information (i) increases take-up and if take-up does increase, (ii) what impact this has on subsequent outcomes.

### **Difficult to identify a counterfactual group**

Several interventions occur during a transition period (ie from benefit to work) or during natural disasters. Here we run into the problem of identifying the potential participant population to draw a convincing comparison group from. For example, many interventions that assist with the transition to employment (eg Transition to Work Grant, \$22 million) are often provided in **anticipation** of an exit. Alternatively, in the case of Work Bonus (\$2 million), the bonus is only paid if the participant achieves the contracted outcome. Under these conditions, it is very difficult to identify the equivalent population that is in the same transition state but did not participate in the intervention.

Another set of interventions try to increase the range of job opportunities available to people on income support. For example, Flexible Childcare Assistance (\$0.3 million) is designed to allow sole parents to access employment during non-standard childcare hours. While \$3k to Work (\$4 million) enables people to move locations to enable them to take up employment outside their immediate labour market. Here the effect of the intervention is on those **eligible** to receive the assistance. However, because take-up is low, it would be very difficult to identify the impact of these types of interventions, even with the best available methods.

**Table 3: EA interventions not rated for effectiveness in 2016/2017**

Not feasible	To soon / Not rated
<p><b>Not feasible (\$277m)</b>            Childcare Subsidy (\$209m)            Transition to Work Grant (\$22m)            OSCAR Provider Assistance (\$18m)            Earthquake Support Subsidy (\$17m)            \$3k to Work (\$3.9m)            Work Bonus (\$2.0m)            Work and Income Seminar (\$2.m)            Migrant Employment Assistance (\$0.7m)            Supported Living Payment Opt In-Service (\$0.7m)            Seasonal Work Assistance (\$0.5m)            Work Focused Case Management for Young SLP (\$0.4m)            Flexible Childcare Assistance (\$0.3m)            Work Preparation Services (\$0.2m)            In Work Support (\$0.2m)            New Employment Transition Grant (\$0.2m)            Sustainable Employment Trial (\$0.1m)</p>	<p><b>Too soon to rate (\$5.3m)</b>            Flexi-wage Self Employment (subsidy) (\$2.0m)            Work to Wellness (\$1.9m)            Work Ability Assessment (\$0.9m)            New Zealand Seasonal Work Scheme (\$0.3m)</p> <p><b>Not rated (\$27m)</b>            Sole Parent Support 52-week reapplication (\$13m)            Job Seeker Health Condition or Disability 52-week reapplication (\$8.0m)            Mainstream Employment Programme (\$3.0m)            Flexi-wage Project in the Community (subsidy) (\$1.5m)            Information Services Initiative (\$0.5m)            Be Your Own Boss (\$0.3m)            Business Training And Advice Grant (\$0.2m)</p>

### ***Low cost and frequent interventions***

Service Delivery runs many short duration and frequent interventions, such as job search seminars or case-management interviews. Identifying the individual impact of these interventions is difficult for two reasons. First is that the individual effect of each seminar or interview attendance is expected to be small. The second reason is that, because of the wide coverage, we again run into the issue of a plausible comparison group, as non-participants are unusual in some way as to not have participated in this type of intervention.

The strategy to overcome this problem has been to evaluate these interventions as part of CM services, which we cover in the next part of the report. For example, frequent job search seminars are now part of the Work Search Support (WSS) service. Here we estimate the impact of being assigned to WSS (participating in frequent seminars) to an equivalent group of people assigned to other CM services and did not participate in these seminars.

### ***Strong selection on unobserved characteristics***

The final set of interventions that are currently infeasible to rate are those where we consider that there is strong selection on unobserved characteristics (eg motivation, attitude, social support). Selection on unobservable characteristics means we are unsure whether any subsequent differences in outcomes between participants and a comparison group is because of the intervention or because of prior uncontrolled differences between the two groups. For example, the Supported Living Payment Opt In-Service (\$1 million) is for people on Supported Living Payment (SLP)<sup>18</sup> volunteering to participate in an active CM service. In this example, we cannot reliably identify the underlying motivation for why an individual on SLP would volunteer to participate or choose not to. The only way to robustly estimate the impact of these types of interventions is to run a Randomised Control Trial.

### **Not completed (\$27 million)**

The remaining expenditure includes EA interventions that we can feasibly evaluate, but we have not done so at this time. However, many of these EA interventions are small scale, and it may not be worthwhile for us to undertake this work.

## **EA intervention expenditure by main benefit status**

Alongside providing an overall summary of EA intervention expenditure, we are beginning to examine the effectiveness of EA interventions for different groups of participants. This work begins by looking at EA interventions by the broad types of main benefits people are receiving when they start a programme or service.

Figure 5 shows EA intervention expenditure in 2016/2017 broken down by what main benefit a person was on just before they started the intervention.<sup>19</sup> In New Zealand, we can group main benefits into five broad types. Jobseeker Support Work Ready (WR) is

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<sup>18</sup> A long-term health condition or disability benefit.

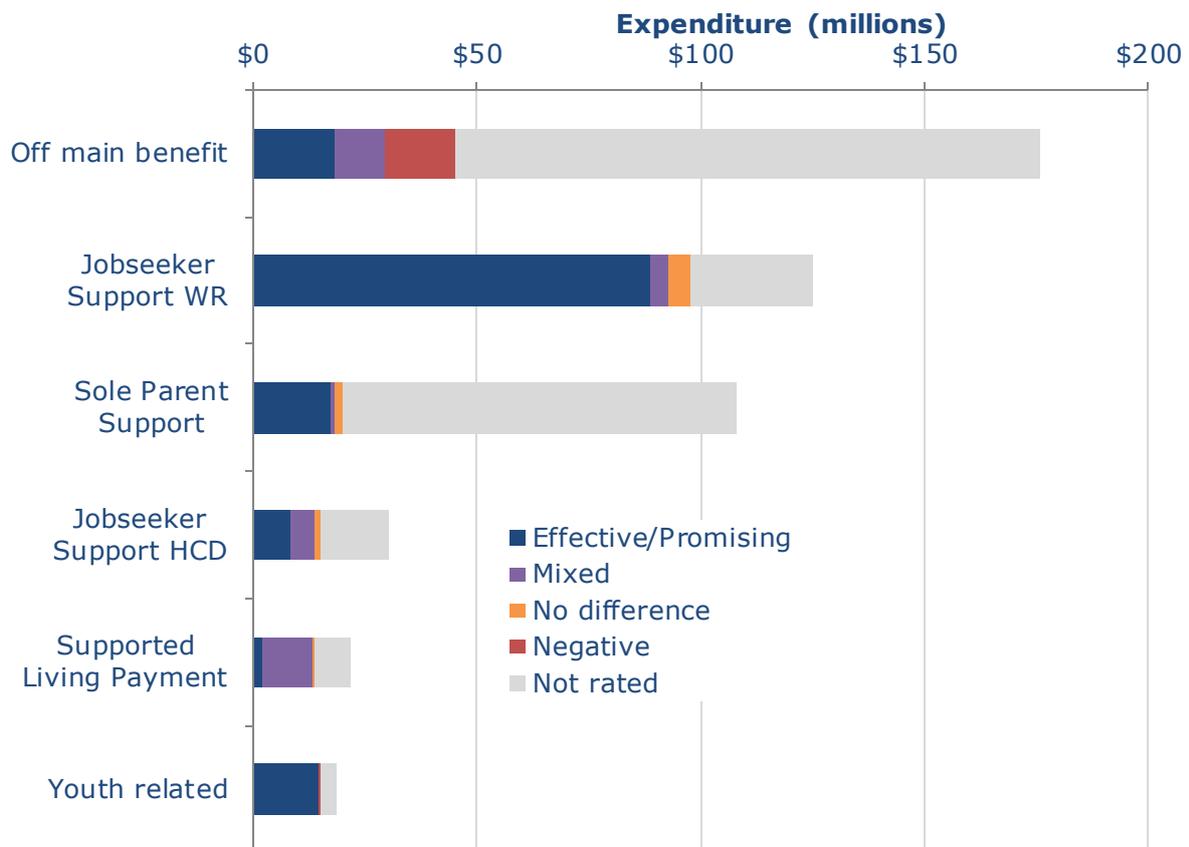
<sup>19</sup> In this year's report we calculated expenditure allocation based on the number of starts by each group multiplied by the average cost. In future updates we plan to calculate the direct costs of each start to account for possible variation in the cost of interventions between groups.

for people who are unemployed and seeking work. Jobseeker Support Health Condition or Disability (HCD) is for people who have a short-term health condition or disability that prevents them from working. Sole Parent Support is for sole parents whose youngest child is under 14 years old. Supported Living Payment is for people with a long-term health condition or disability that prevents them from working more than 15 hours a week. Youth related is for young people not support by their parents or guardians. The remaining people are off main benefit (but can be receiving supplementary assistance). For a breakdown of these results for individual interventions, refer to Table 13 on page 44.

The totals in Figure 5 will not match those reported in Figure 1 as we could not identify the specific individuals who received around \$37 million of EA intervention expenditure. The bulk of this unidentified spend was on two interventions (OSCAR Provider Assistance, \$18m and Earthquake Support Subsidy, \$17m).

For each benefit group in Figure 5, we have split expenditure by its effectiveness rating. It is important to stress that the effectiveness rating is an overall rating for the intervention and not specific to each benefit group. In other words, for people in a particular benefit group the intervention could be more or less effective than the overall average.

**Figure 5: EA intervention expenditure in 2016/2017 by effectiveness rating and main benefit status**



Not rated: not feasible, too soon to rate, not yet rated.  
Expenditure is in nominal dollars.

The largest benefit group to receive employment assistance were those not on a main benefit and was primarily made up of expenditure on Childcare Support Subsidy (\$121.9m) followed by the Youth Service (NEETS) (\$15.7m). The next largest group were Jobseeker Support Work Ready, who also received the largest amount of expenditure rated as effective or promising (\$88m). For people on Sole Parent Support, the EA intervention expenditure was almost as large as for Jobseeker Work Ready. However, this spend was made up primarily of Childcare Subsidy assistance (\$69.1m). Relative to their numbers on main benefit, people on health-related benefits (ie Jobseeker Support HCD and Supported Living Payment) received the smallest amount of EA intervention expenditure.<sup>20</sup> In contrast, because the number of people receiving Youth related benefits was very small, their share EA intervention expenditure was relatively high.

## The effectiveness of Case Management services

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As discussed in the introduction of this report, we have split the results between discrete EA interventions and case-management (CM) services. The reason for the split is two-fold.

The first reason is that CM services include the provision of discrete EA interventions. In other words, when we are evaluating the effectiveness of CM services, this in part includes the effects of the level and mix of individual EA interventions that people on different CM services receive. For the same reason, we cannot directly compare the expenditure on EA interventions to CM services since the cost of CM services includes some, but not all, expenditure on EA interventions, see Figure 6 below.

The second reason is methodological, at this time we have completed the analysis of the effectiveness of CM service on income support receipt only. We, therefore, need to be more cautious about drawing conclusions about the value of CM services until we have information on their impact on participants' wider outcomes, such as income and employment.

### Expenditure on case management compared with discrete Employment Assistance interventions

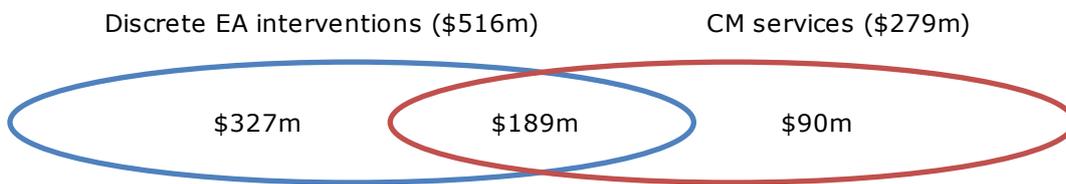
Figure 6 illustrates the overlap in expenditure between discrete EA interventions and CM services for 2016/2017. For EA interventions, \$189 million (37%) is included in CM service expenditure, the remaining expenditure (\$327 million) mainly includes childcare assistance interventions that we do not consider to be part of active case management of people receiving income support. Looking at CM services, \$90 million is **not** spent on discrete EA interventions, and this expenditure is primarily on case manager time. This case manager time excludes administration of income support, integrity, social housing, study assistance and social assistance as these are also not part of actively assisting

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<sup>20</sup> At July 2017, of the 276,390 working age main benefits in force, 33.6% were Support Living Payment and 20.2% were Jobseeker Support HCD. By contrast, 0.6% were youth related (ie Young Parent Payment and Youth Payment). Note that a benefit in force refers to a family and can include a partner and children as well as the primary recipient.

people into work. For a detailed split of EA interventions included in Figure 6, please go to Table 14, page 47.

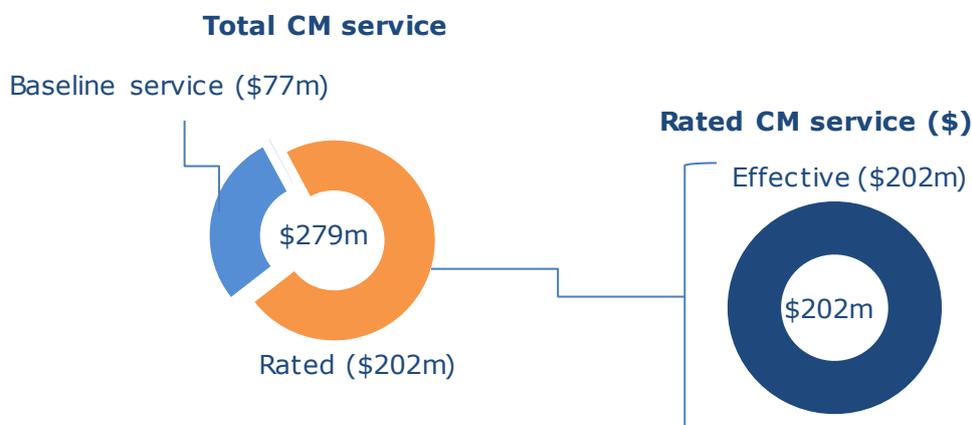
**Figure 6: Overlap between discrete EA intervention and CM service expenditure in 2016/2017**



## The effectiveness of case-management service expenditure

Figure 7 summarises the effectiveness rating of the expenditure on CM services in 2016/2017. Of the \$279 million on CM services, \$77 million was spent on the baseline CM service called General Case Management (GCM). GCM is the default CM service people are assigned to and is the service that we compare more intensive CM services against (where possible). For this reason, we cannot give GCM a specific effectiveness rating.

**Figure 7: Effectiveness rating for CM services in 2016/2017**



In 2016/2017, we can rate the effectiveness of \$202 million of CM service expenditure (Table 4), with all services rated as effective (based on a reduction in income support payments). As already noted, GCM is the baseline service and for this reason, cannot be rated. Also, it was not possible to rate the effectiveness of Work Focused Case Management Integrated Services (Nominated) (\$0.4m). The reason was that these participants were nominated by case managers and, therefore, participation was based on unobserved factors.

**Table 4: Effectiveness rating of individual CM services in 2016/2017**

Effective	Not rated
<p><b>Effective(\$202m)</b>                      Work Focused Case Management (General) (\$121m)                      Work Search Support (\$47m)                      Work Focused Case Management HCD (\$23m)                      Work Focused Case Management Integrated Services (IS) (\$10m)                      Work Focused Case Management ICS (Entrenched) (\$0.7m)</p>	<p><b>Too soon to rate(\$0.2m)</b>                      Work Focused Case Management ICS (Early entrants) (\$0.2m)</p> <p><b>Not feasible(\$77m)</b>                      General Case Management (\$77m)                      Work Focused Case Management Integrated Services (Nominated) (\$0.4m)</p>

## Welfare Cost-Benefit Analysis (wCBA)

Having established whether an intervention is effective or not, the next question is whether it is cost effective. In other words, do the benefits of the intervention outweigh the costs? One approach to answering this question is to use Cost-Benefit Analysis (CBA) whereby we express the costs and benefits of an intervention using a common metric and perspective. Most often CBA involves converting impacts into monetary values and ultimately take a society-wide view. While we aspire to provide this more comprehensive perspective, we have not yet completed the necessary analysis to report social cost-benefit results for EA interventions and CM services.

In the meantime, we can report a CBA that takes a narrower view, expressed as the welfare net-return. As the name indicates, the welfare net-return only considers the costs and benefits regarding employment assistance expenditure, income support and administration costs as incurred by the government (ie a fiscal perspective). At this time, we also have not accounted for negative non-participant effects, such as substitution or displacement. Therefore the wCBA results reported below would overstate the true return, especially for job placement type interventions.

Because of the above limitations, we do not consider wCBA as a useful metric for determining the overall cost-effectiveness of EA interventions. The limitations of the wCBA measure become clearer as we examine the results in detail below. An important next step for this analysis is to shift our cost-effectiveness analysis to include a broader set of impacts and to extent considering these from a participant and society-wide perspective and not just from a fiscal lens.

Table 5 summarises the wCBA results for a selected number of EA interventions and CM services. For each intervention, the table shows:

- **Investment:** the full, direct cost of the intervention for MSD to deliver. By direct cost, we have excluded indirect costs, such as property, IT and support staff costs.
- **Return:** reduction in income support expenditure and avoided employment assistance and administration costs. This value also excludes indirect costs, such as property, IT and support staff costs. Negative values indicate the intervention is estimated to have **increased** welfare costs.
- **Net-return:** the return minus the investment cost.

## Discrete Employment Assistance interventions

For EA interventions we observe a considerable range in welfare net-return estimates. The bulk of EA interventions with high welfare net-return are either vacancy placement, wage subsidy, pre-job training or contracted placement interventions.<sup>21</sup> As noted already, we have not yet included an offset for substitution and displacement effects that these programmes generate. Depending on how well interventions are targeted, substitution and displacement effects will substantially reduce the welfare net-returns results shown in Table 5.

## Case Management services

For case-management services, all but one, show a positive welfare net-return. The highest net-return come from the more intensive case-management services, such as Work Focused Case Management Integrated Services (IS) (\$9.6 million) with a net benefit of \$2,440 for each participant.

**Table 5: Per participant Welfare CBA for selected EA interventions and CM services operating in 2016/2017**

Intervention (expenditure)	Investment	Return	Net return
<b>Discrete EA interventions</b>			
Flexi-wage (Basic/Plus) (\$29m)	\$3,785	\$29,686	\$25,900
Skills for Industry (\$20m)	\$3,516	\$11,960	\$8,445
Vacancy Placement Full time (\$6.7m)	\$1,027	\$9,400	\$8,373
Vacancy Placement Part time (\$2.3m)	\$1,042	\$8,391	\$7,349
Careers Guidance and Counselling (\$0. m)	\$602	\$7,269	\$6,667
Course Participation Grant (\$2.6m)	\$241	\$5,200	\$4,959
Training for Work (\$17m)	\$3,357	\$7,901	\$4,544
Employment Placement or Assistance Initiative (\$30m)	\$1,588	\$5,912	\$4,324
New Initiative (\$2.1m)	\$378	\$3,688	\$3,310
Sole Parent Employment Service Trial (\$1.7m)	\$1,432	\$3,562	\$2,130
Work Confidence (\$1.3m)	\$689	\$2,680	\$1,991
Vocational Services Employment (\$31m)	\$3,813	\$5,434	\$1,621
Limited Services Volunteer (\$5.5m)	\$6,491	\$6,028	-\$464
Job Search Initiatives (\$4.5m)	\$1,345	\$504	-\$841
Training Incentive Allowance (\$1.8m)	\$1,418	-\$5,914	-\$7,332
<b>In-house case management</b>			
Work Focused Case Management Integrated Services (IS) (\$9.6m)	\$1,480	\$3,920	\$2,440
Work Focused Case Management ICS (Entrenched) (\$0.6m)	\$1,296	\$3,520	\$2,224
Work Focused Case Management (General) (\$141m)	\$1,343	\$3,027	\$1,683
Work Search Support (\$53m)	\$637	\$2,037	\$1,400
Work Search Support (pilot) (\$26m)	\$515	\$1,739	\$1,224
Work Focused Case Management (pilot) (\$24m)	\$788	\$1,618	\$831
Work Focused Case Management HCD (\$15m)	\$1,272	\$1,598	\$326
Work Focused Case Management ICS (Early entrants) (\$0.2m)	\$1,125	\$877	-\$248

**FY expenditure:** average expenditure on the intervention for the financial years it was operating after 2010/2011.

<sup>21</sup> Hiring wage subsidies (Skills Investment, Flexi Wage (Basic/Plus)), pre-job training (Straight 2 Work, Skills for Industry), contracted placement (Employment Placement or Assistance Initiative).

### **Work Focused Case Management HCD (\$15 million)**

Work Focused Case Management HCD was a case-management service targeted at people receiving Jobseeker Support with a Health Condition or Disability (HCD). For this service, we found that participants did not receive a higher level of case-management assistance than if they had been assigned to the baseline service (GCM). The majority of the Return is simply made up of the avoided costs of having participants in Work Focused Case Management HCD rather than being in GCM (de Boer, 2018, p. 44). The service achieved only a small reduction in income support expenditure.

### **Work Focused Case Management ICS (Early entrants) (\$0.2 million)**

Work Focused Case Management ICS was a trial of an intensive case-management service (40 participants to each case manager) for people who had been on income support at 18 or under and were currently receiving a Jobseeker Support Work Ready main benefit. The trial had two arms, (i) early entrants who were aged 18 to 29 and under at the start of the service and (ii) entrenched – those aged 30 to 39. For the early entrant group, the Work Focused Case Management ICS had no impact on increasing the time participants spent off main benefit relative to being in the baseline service (GCM). Similar to Work Focused Case Management HCD, the likely reason for the absence of any impact was that there was only a small difference in the level of assistance if participants had been assigned to either Work Focused Case Management ICS (Early entrants) or GCM.

In contrast, for the older (entrenched) Work Focused Case Management ICS participants, being assigned to the service resulted in a much larger increase in assistance compared with being on GCM. We attribute, in part at least, this difference in the level of assistance received by younger and older participants to the higher net-return for Work Focused Case Management ICS (Entrenched) (\$0.6 million).

Based on these findings, the Work Focused Case Management ICS was changed to only include participants aged 25 and over. The new trial is also testing whether ICS would benefit people on Jobseeker Support HCD aged 25 to 39.

## **Effectiveness by intervention type**

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Here we show the effectiveness rating by the type of EA intervention. In this section, we broaden our scope to include all EA interventions delivered by MSD, not just those delivered in 2016/2017 (Table 6).

We have information on 278 individual EA interventions and CM services operating between 1990 and 2017. These range from large interventions, such as Training Opportunities (\$80 million pa, 1991-2009) through to small local pilots running for a couple of months. We group these interventions into broad categories reflecting how the intervention is expected to help improve participants' outcomes. For example, training programmes operate on the idea of increasing participants' skills or qualifications to help improve their chances of gaining employment.

Of the 278 interventions that we have information on, we can rate the effectiveness of 74 (27%) as shown in Table 6. Alongside the overall low proportion of interventions with a rating, we also see substantial gaps in our knowledge of the effectiveness for some

intervention types. For example, we have only one or two studies on the effectiveness of interventions designed to help with transitioning to and retaining employment. Moreover, these studies provide little support that these types of interventions are effective overall.

Note that the percentage values for each rating in Table 6 are based on a relatively small number of observations. Small samples means the proportional mix of intervention effectiveness may show substantial shifts in future updates to this analysis.

### **Job Placement and case management are generally effective**

Interventions that tend to improve participants' outcomes are concentrated around case management and job placement. However, this optimistic assessment has to be balanced by consideration of the negative effects these interventions can have on non-participants through effects, such as substitution or displacement.

For case-management services, two of the three services rated as negative target young people transitioning from school to education training or employment (Youth Transitions Service, Youth Service (NEET)).

**Table 6: Effectiveness of employment assistance intervention by type**

<b>Intervention type</b>	<b>Number</b>	<b>Rated</b>	<b>Effective</b>	<b>Promising</b>	<b>Mixed</b>	<b>No difference</b>	<b>Likely negative</b>	<b>Negative</b>
Case Management	50	12	50%	8%	8%	8%		25%
Community Development	6	1				100%		
Information Services	10	3			33%	67%		
Work Confidence	23	6		17%	17%	50%	17%	
Health Interventions	8	2			100%			
Training	23	9	44%		33%		22%	
Vocational Services	2	1			100%			
Work Experience	26	10	40%	20%	30%			10%
Work Obligations	14	2	100%					
Job Search	24	7	43%	14%	14%	29%		
Job Placement	40	18	50%	17%	22%	11%		
Work Transition	19	0						
Work Retention	18	2				100%		
Other	13	1			100%			
Unknown	2	0						
<b>Total</b>	<b>278</b>	<b>74</b>	<b>38%</b>	<b>11%</b>	<b>24%</b>	<b>18%</b>	<b>4%</b>	<b>5%</b>

Note the percentage values are based on the number of rated interventions. Due to rounding, percentage values may not add up to 100%.

### ***Variable effectiveness ratings for work experience, job search and information services interventions***

Intervention types with a range of effectiveness ratings include work experience programmes and information services. When we look in more detail at these intervention types, we find that work experience with private sector firms is more likely to be rated as effective. On the other hand, community or environmental placements where participants remain on benefit tend not to be effective. For information services and job search type interventions, it is less clear what differentiates those that are effective and those that are not.

### ***Work confidence has modest effects***

Work confidence interventions (which are intended to improve a participant's confidence and motivation include Limited Service Volunteers) have modest impacts, with two-thirds either having mixed or making no difference to participants' outcomes.

### ***Work obligations results apply only to welfare outcomes***

The evidence on work obligations (interventions that ensure people are actively looking for work) is small relative to the number of interventions. Also, we currently only have evidence of the impact of these interventions on welfare outcomes. An important gap in our evidence is on the impact of these interventions on wider outcomes.

### ***Training interventions are showing better performance***

The evidence on the effectiveness of training programmes indicates more recent contracted training programmes, such as Training for Work, are more effective than earlier versions such as Training Opportunities, Foundation Focused Training and Skills Training. On the other hand, as discussed earlier in the report, the effectiveness of Training Incentive Allowances has decreased over the last 14 years.

## Appendix 1: Effectiveness rating

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We categorise the EA interventions based on whether the intervention had a positive impact<sup>22</sup> on participants' outcomes across five domains.

- **Employment:** the overarching goal of EA interventions is to increase the time participants spend in employment over the long term. We use monthly and annual tax data from the SNZ IDI to identify periods of employment, including employment while on a main benefit.
- **Income:** we judge interventions to have a positive impact if they increase participants' income. For this outcome, we include net-income from all sources (wage and salary, self-employment, income support) using tax and income support payment data in the SNZ IDI. Missing from our measure is Inland Revenue (IR) child-support and tax-credits; we plan to include tax-credits in the next update of this analysis. We have not looked at household income at this time because of the difficulty of reliably identifying household composition over time.
- **Justice:** currently, we measure the impact of interventions based on the time that participants spend in corrections services (ie prison, community service, remand and home detention).
- **Educational achievement:** whether intervention increases the highest qualification held by participants. We determine people's highest qualification on the National Qualifications Framework (NQF). The NQF is a scale from 1 (low) to 9 (high). Therefore, an impact of 1.2 means that participants' highest NQF qualification increased by an average of 1.2 levels (eg from an average NQF of 3.2 to an NQF of 4.4).
- **Independent of Welfare:** most EA interventions are designed to increase the time that participants are independent of income support. In our analysis, we define independence as (i) not on a main benefit or (ii) receiving employment assistance (ie a wage subsidy). In previous effectiveness reports, Independent of Welfare was our primary outcome measure and our proxy for employment outcomes. However, with the inclusion of the SNZ IDI data, we can now measure employment directly.

Readers may be surprised that an intervention can increase time in employment but not alter the time off welfare assistance. Such a result can come about for two reasons.

- **Increased part-time work while on main benefits:** for certain types of benefits such as Sole Parent Support, people can have a high level of part-time earnings without losing their benefit entitlement.
- **Change in off benefit destinations:** we have found that participants are more likely to exit benefit into employment than other outcome destinations relative to the comparison group. For example, EA interventions tend to reduce the time participants spend in prison.

Table 7 summarises how we rated the effectiveness of EA interventions across one or more of the above primary outcomes.

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<sup>22</sup> Impact in this report means the change in outcomes for people receiving the intervention relative to a similar group of people who do not participate.

**Table 7: Definitions of the EA intervention effectiveness ratings**

Rating		Definition
Effective	★★	The intervention has a statistically significant positive effect for the majority of primary outcomes (eg income, employment, justice, qualification and independence from welfare) <b>and</b> no evidence of a negative impact on any primary outcome.
Promising	★	The trend in impacts indicates the intervention is expected to have a significant positive overall impact in the medium to long term. Also, we rate interventions as promising if we cannot evaluate the intervention directly, but where we have a very similar intervention rated as effective.
Mixed	†	The intervention has both positive and negative impacts on primary outcomes. The most common case is where an intervention increases employment but has a negative impact on independence from welfare.
Makes no difference	○	The assistance makes no statistically significant difference for any of the primary outcomes.
Likely negative	✘	Trends indicate the intervention will have a negative impact on one or more primary outcomes and there is no evidence of a positive impact on any other primary outcome.
Negative	✘✘	The intervention has a statistically significant negative effect on the majority of primary outcomes <b>and</b> no evidence of a positive impact on any primary outcome.
Too early to assess	⌚	There has not been enough time to observe the impact of the intervention. Typically, we do not rate an intervention until we have two years of outcome data available.
Not rated	▪	We have not rated the effectiveness of the intervention.
Not feasible	⌚	It is not technically feasible to estimate the impact of the intervention at this time.

## Interventions where it is currently not feasible to estimate their effectiveness

- 1 Before looking at the results of interventions with an effectiveness rating,

Table 8 lists the EA interventions funded after the 2009/2010 financial year that were not feasible to evaluate and summarises the reason for not being able to evaluate them.

**Table 8: Reason it is not feasible to estimate the effectiveness of listed EA interventions**

Intervention	Reason
\$3k to Work	Because the incentive payments target all eligible jobseekers, and the take-up rate is low, it is not currently feasible to estimate the likely impact of the \$3k to Work on overall exits into employment. It may be possible to estimate the impact through an invitation to treat RCT (i.e. an information campaign about \$3k to Work to eligible jobseekers). However, take-up would need to be high to confidently detect any impact of \$3k to Work through this design.
3K to	Because the incentive payments targets all eligible jobseekers and the

<b>Intervention</b>	<b>Reason</b>
Christchurch	take-up rate was low, it was not possible to estimate the likely impact of the 3K to Christchurch on overall exits into employment.
Childcare Subsidy	Childcare Subsidy programme is both a legal entitlement and has been available since 1983. Under these conditions, it is not possible to identify a convincing comparison group of parents who did not take up the Childcare Subsidy. It may be possible to estimate the impact of the Childcare Subsidy on non-participating parents through an invitation to treat RCT (i.e. an information campaign about the subsidy to eligible parents).
Earthquake Support Subsidy	Because the subsidy was paid during a natural disaster it is difficult to identify a suitable comparison group subject to similar conditions but was not eligible for the subsidy. A practical issue is that payment was through the employer and we have not yet been able to identify which individual employees received the subsidy.
Employment Workshop	Because of their high frequency and likely small impact, it was not feasible to estimate the impact of attending an individual Employment Workshop.
Flexible Childcare Assistance	Because of the low take-up rate, we do not consider it feasible to estimate the impact of Flexible Childcare Assistance on the take-up of employment among eligible sole parents. It may be possible to estimate the impact through an invitation to treat RCT (i.e. an information campaign to eligible sole parents). However, take-up would need to be high to confidently detect any impact of Flexible Childcare Assistance through this design.
General Case Management	Baseline service to maintain income support entitlements.
IB Employment Trial	It was not feasible to estimate the impact of the IB Employment Trial because it is subject to strong selection effects as it targets people on long-term health condition and disability benefits where we cannot observe why a given individual feels able to take up full-time employment.
In Work Support	It is not feasible to estimate the impact of In Work Support without some form of randomised design, as it is very difficult to identify a convincing comparison group at the same transition point as the participants but did not receive the intervention.
Mental Health Co-ordination	There is no information on the project.
Migrant Employment Assistance	Unreliable participant data.
New Employment Transition Grant	Because the New Employment Transition Grant is available for people who are off main benefit and is paid out in specific circumstances, it is difficult to identify a convincing comparison group to estimate the effectiveness of this grant.
OSCAR Provider Assistance	OSCAR Provider Assistance works indirectly to increase the supply of OSCAR providers. Currently, we do not have time series information on the level or coverage of OSCAR providers to be able to identify whether the OSCAR Provider Assistance has increased the level of OSCAR services.
Recruitment Seminar	Because of their high frequency and likely small impact, it was not feasible to estimate the impact of attending an individual Recruitment Seminar.

Intervention	Reason
Seasonal Work Assistance	It is not currently feasible to estimate the effectiveness of the programme as it is very difficult to identify the target group (people how are thinking about moving into horticultural work) to identify whether the availability of the payment has increased movement into horticultural jobs. A secondary impact we could examine is whether the Seasonal Work Assistance reduced the probability of horticultural workers returning to main benefit in response to poor weather before and after the introduction of the programme in 2002.
Supported Living Payment Opt-In Service	It is currently not feasible to estimate the impact of this case-management service, as we are not confident we can identify a suitable comparison group based on the information that we can observe about those who are eligible to participate. To determine the effectiveness of this service would require some form of randomised controlled trial (RCT).
Sustainable Employment Trial	It is not feasible to estimate the impact of the Sustainable Employment Trial because it is subject to strong selection effects as it targets people on long-term health condition and disability benefits where we cannot observe why a given individual feels able to take up full-time employment.
Transition to Work Grant	It is not feasible to estimate the impact of Transition to Work Grant without some form of randomised design, as it is very difficult to identify a convincing comparison group at the same transition point as the participants but did not receive the intervention. Also, Transition to Work Grant can be paid in anticipation of an exit to work, making confounding a significant problem with this intervention.
Work and Income Seminar	Because of their high frequency and likely small impact, it was not feasible to estimate the impact of attending an individual Work and Income Seminar.
Work Bonus	It is not feasible to estimate the impact of Work Bonus without some form of randomised design, as it is very difficult to identify a convincing comparison group at the same transition point as the participants but did not receive the intervention.
Work Focused Case Management Integrated Services (Nominated)	It is currently not feasible to estimate the impact of this case-management service, as we are not confident we can identify a suitable comparison group based on the information that we can observe about those who are eligible to participate. To determine the effectiveness of this service would require some form of randomised controlled trial (RCT).
Work Preparation Services	No intervention information
Young Parent Childcare	Young Parent Childcare programme was a legal entitlement. Under these conditions, it is difficult to identify a convincing group of teen-parents who did not take up the Young Parent Childcare.

## The effectiveness of interventions and impact by outcome domain

Table 9 shows the results of EA interventions with an effectiveness rating and had funding after the 2009/2010 financial year. Alongside each intervention, the table provides the intervention's current rating, the method used to estimate the intervention's effectiveness and the impact against each of the main outcome domains

we based the rating on. If the outcome is not shown in the Impact by Outcome Domain column, then it is not currently available for that intervention and accordingly not used in assessing its effectiveness. The results in Table 9 are for all participants<sup>23</sup> in the intervention and, therefore, will not necessarily match that reported in the main part of the report. The results in the main part of the report are the effectiveness ratings specific to each year the intervention operated in and these are shown in Table 10.

The key for Table 9 is as follows.

- **Effectiveness rating:** refer to the effectiveness rating definitions in Table 7.
- **Impact method:** RCT: Randomised Control Trial, PM: Propensity score matching, PM T: Propensity score matching with differences in differences, PreP: Pre-post comparison, DiD: Differences in Differences.
- **Impact rating:** ++: positive impact, +: likely positive impact, 0: no impact, -: likely negative impact, --: negative impact.

The numerical results for each of the outcome domain impacts are in the accompanying data table see Appendix 3.

**Table 9: Effectiveness rating and impact by outcome domain for interventions funded since 2010/2011**

Intervention	Effectiveness rating	Method	Impact by outcome domain				
			Income	Employment	Justice	Education achievement	Income Support
Activity in the Community	+	PM	+	-	0	++	--
Careers Guidance and Counselling	+	PM	0	++	++	++	--
CommunityMax	★	PM	0	++	0	++	0
Course Participation Grant	★★	PM	0	++	++	+	++
Employment Placement or Assistance Initiative	★	PM	0	++	++	0	++
Enterprise Allowance	+	PM	--	++	++	+	++
Flexi-wage (Basic/Plus)	★★	PM	++	++	++	0	++
Foundation Focused Training	+	PM	--	--	++	++	--
Health Interventions	+	PM	0	0	++	++	--
Job For A Local	★★	PM	++	++	+	0	++
Job Opportunities with Training	★★	PM	++	++	+	0	++
Job Ops	+	PM	++	++	++	--	++
Job Preparation Programme	○	PM	+	+	+	0	-
Job Search Initiatives	★	PM	++	++	0	0	++

<sup>23</sup> By all, we mean any participants who started in the intervention from the year 2000 onwards.

Intervention	Effectiveness rating	Method	Impact by outcome domain					Income Support	Income
			Income	Employment	Justice	Education achievement	Income		
Jobseeker Work Ready 52-week benefit reapplication	★★	PreP						++	
Jobs With A Future	★	PM	+	++	+	0	0	0	
Limited Services Volunteer	★	PM	++	++	+	0	-	-	
Literacy/Numeracy	✘	PM	--	--	0	0	--	--	
Local Industry Partnerships	★★	PM	++	++	++	+	++	++	
Mental Health Employment Service Trial	○	RCT						0	
New Initiative	†	PM	++	++	--	0	++	++	
Outward Bound	○	PM	0	0	0	++	0	0	
PATHS	†	PM	++	++	++	+	--	--	
Skills for Growth	★	PM						+	
Skills for Industry	★★	PM	++	++	++	++	++	++	
Skills Investment	★★	PM	++	++	++	0	++	++	
Skills Training	★★	PM	++	++	++	++	0	0	
Sole Parent Employment Service Trial	★★	RCT						++	
Straight 2 Work	★★	PM	++	++	++	++	++	++	
Taskforce Green	★★	PM	++	++	++	++	++	++	
Training for Work	★★	PM	++	++	++	0	++	++	
Training Incentive Allowance	★★	PM	++	++	++	++	+	+	
Vacancy Placement Full time	†	PM	++	++	-	--	+	+	
Vacancy Placement Part time	★★	PM	++	++	++	-	++	++	
Vocational Services Employment	†	PM	++	++	0	--	++	++	
Work Confidence	†	PM	0	++	++	+	--	--	
Work Experience	★	PM	++	++	0	0	++	++	
Work Focused Case Management (General)	★★	RCT						++	
Work Focused Case Management (pilot)	★★	RCT						++	
Work Focused Case Management HCD	★★	RCT						++	
Work Focused Case Management ICS (Entrenched)	★★	RCT						++	
Work Focused Case Management Integrated Services (IS)	★★	RCT						++	

Intervention	Effectiveness rating	Method	Impact by outcome domain				
			Income	Employment	Justice	Education achievement	Income Support
Work Search Support	★★	RCT					++
Work Search Support (pilot)	★★	RCT					++
WRK4U	★★	DID					++
Youth Seminar	○	PM	--	+	+	0	-
Youth Service (NEET)	××	PM		--		--	--
Youth Service (YP)	★	PM T		++		0	+
Youth Service (YPP)	★★	PM T		++		++	+
Youth Training	×	PM	-	--	0	-	--
Youth Transitions Services	××	PM		--		-	--

## Effectiveness rating by financial year

In this year's report, we assess the effectiveness of intervention by financial year (Table 10). In other words, does the effectiveness of an intervention change for successive participants. These changes in performance can occur for several reasons. Setting aside the natural variation, interventions' impacts can change through shifts in policy and eligibility, interaction with economic conditions, changes in referral processes and contract management.

**Table 10: Effectiveness rating of interventions by financial year people participated**

Intervention	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
\$3k to Work							⊖
3K to Christchurch					⊖	⊖	
Activity in the Community	○	○	○	○	○	○	○
Be Your Own Boss	■	■	■	■	■	■	■
Business Training And Advice Grant		■					■
CadetMax	■						
Careers Guidance and Counselling	○	○	○	○	○	○	○
Childcare Subsidy	⊖	⊖	⊖	⊖	⊖	⊖	⊖
CommunityMax	★	★					
Course Participation Grant	○	★	★	★	★	★	★
Driver licence programmes				⊕	⊕	⊕	
Earthquake Support Subsidy	⊖						⊖
Employment Placement or Assistance	★	★	★★	★★	★★	★★	★★

Intervention	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Initiative							
Employment Workshop	∅	∅	∅				
Enterprise Allowance	†	†					
Flexible Childcare Assistance					∅	∅	∅
Flexi-wage (Basic/Plus)			★★	★★	★★	★★	★★
Flexi-wage Project in the Community (subsidy)						■	■
Flexi-wage Self Employment (subsidy)			⊕	⊕	⊕	⊕	⊕
Foundation Focused Training	†	†	†	†			
General Case Management			∅	∅	∅	∅	∅
Health Interventions				†	†	†	†
IB Employment Trial	∅	∅	∅				
In Work Support	∅	∅	∅	∅	∅	∅	∅
Information Services Initiative					■	■	■
Job For A Local	★★	★★					
Job Opportunities with Training		★★					
Job Ops	★★						
Job Preparation Programme	○	○					
Job Search Initiatives	★	○	✘	○	○	○	○
Jobseeker Health Condition or Disability 52-week reapplication	■	■	■	■	■	■	■
Jobseeker Work Ready 52-week benefit reapplication	★★	★★	★★	★★	★★	★★	★★
Jobs With A Future	★						
Limited Services Volunteer	★	★★	★★	★★	★★	★★	★★
Literacy/Numeracy	✘	✘	✘				
Local Industry Partnerships	★★	★★	★★				
Mainstream Employment Programme	■	■	■	■	■	■	■
Mental Health Co-ordination				∅			
Mental Health Employment Service Trial				○	○	○	
Migrant Employment Assistance	∅	∅	∅	∅	∅	∅	∅
New Employment Transition Grant		∅	∅	∅	∅	∅	∅
New Initiative	★	○	○	○	○	○	○
New Zealand Seasonal Work Scheme					⊕	⊕	⊕
OSCAR Provider Assistance	∅	∅	∅	∅	∅	∅	∅
Outward Bound	†	†	†	†	†	†	†
PATHS	★	★	★	★	★	★	
Preparing for Work		■	■				
Recruitment Seminar	∅	∅	∅				

Intervention	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Seasonal Work Assistance	∅	∅	∅	∅	∅	∅	∅
Self Employment Initiative	■	■	■				
Skills for Growth		★					
Skills for Industry			★★	★★	★★	★★	★★
Skills Investment	★★	★					
Skills Training	★	★	★				
Sole Parent Employment Service Trial				★★	★★	★★	★★
Sole Parent Support 52-week reapplication						■	■
Straight 2 Work	★★	★★					
Supported Living Payment Opt-In Service							∅
Sustainable Employment Trial				∅	∅	∅	∅
Taskforce Green	★★	★★					
Training for Work	★★	★★	★★	★★	★★	★★	★★
Training Incentive Allowance	★★	★	★	★	★	★	★
Transition to Work Grant	∅	∅	∅	∅	∅	∅	∅
Vacancy Placement Full time	★	†	★	★	★	★	★
Vacancy Placement Part time	★★	★★	★	★	★	★	★
Vocational Services Employment	†	†	†	†	†	†	†
Work Ability Assessment					⊕	⊕	⊕
Work and Income Seminar	∅	∅	∅	∅	∅	∅	∅
Work Bonus				∅	∅	∅	∅
Work Confidence	○	★	○	○	○	○	○
Work Experience	★★	★★	★★	★★	★★		
Work Focused Case Management (General)				★★	★★	★★	★★
Work Focused Case Management (pilot)			★★				
Work Focused Case Management for Young SLP					∅	∅	∅
Work Focused Case Management HCD				★★	★★	★★	★★
Work Focused Case Management ICS (Early entrants)						⊕	⊕
Work Focused Case Management ICS (Entrenched)					★★	★★	★★
Work Focused Case Management Integrated Services (IS)				★★	★★	★★	★★
Work Focused Case Management Integrated Services (Nominated)							∅
Work Preparation Services					∅	∅	∅
Work Search Support				★★	★★	★★	★★

Intervention	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Work Search Support (pilot)			★★				
Work to Wellness							⌚
WRK4U	★★	★★	★★	★★	★★	★★	★★
Young Parent Childcare	⊖	⊖					
Youth Seminar		×	○	○	○	○	○
Youth Service (NEET)			××	××	××	××	××
Youth Service (YP)			★	★	★	★	★
Youth Service (YPP)			★★	★★	★★	★★	★★
Youth Training	××	××					
Youth Transitions Services	××	××	××				

## Effectiveness rating across annual reports

Table 11 summarises the effectiveness rating from each of the previous annual reports and enables readers to compare an intervention's effectiveness rating between reports. To interpret the symbols in Table 11 refer to the effectiveness rating definitions in Table 7 (page 29). Where there is no symbol, this means we had not rated the intervention in that year. Up to the 2016 report, we based the effectiveness rating on Independence of Welfare assistance (ie not on a main benefit or receiving employment assistance). The inclusion of impacts on other outcome domains has resulted in a shift in effectiveness ratings of some interventions towards promising and effective.

**Table 11: Effectiveness rating by annual report for interventions funded between 2010/2011 through to 2016/2017**

Intervention	2012	2013	2014	2016	2017
\$3k to Work					⊖
3K to Christchurch					⊖
Activity in the Community	××	××	××	××	†
Be Your Own Boss	■	■	■		■
Business Training And Advice Grant	■	■	■		■
CadetMax	★	★	★		■
Careers Guidance and Counselling	○	○	○	†	†
Childcare Subsidy					⊖
CommunityMax	⌚	××	××	†	★
Course Participation Grant	○	○	○	†	★★
Driver licence programmes					⌚
Earthquake Support Subsidy	■	■	■		⊖
Employment Placement or Assistance Initiative	†	○	○	†	★
Employment Workshop	■	××	××	××	⊖
Enterprise Allowance	★★	★★	★★	†	†

Intervention	2012	2013	2014	2016	2017
Flexible Childcare Assistance					⊖
Flexi-wage (Basic/Plus)			★	★★	★★
Flexi-wage Project in the Community (subsidy)					■
Flexi-wage Self Employment (subsidy)			★		⊖
Foundation Focused Training	⊖	⊖	××	××	†
General Case Management					⊖
Health Interventions	■	××	××	×	†
IB Employment Trial	■	■	■		⊖
In Work Support	■	■	■		⊖
Information Services Initiative			⊖		■
Job For A Local	■	■	■	★★	★★
Job Opportunities with Training	⊖	⊖	†	★★	★★
Job Ops	⊖	★	†	†	†
Job Preparation Programme	■	■	⊖	⊖	○
Job Search Initiatives	★★	†	†	★	★
Jobseeker Health Condition or Disability 52-week reapplication					■
Jobseeker Work Ready 52-week benefit reapplication	■	★★	★★	★★	★★
Jobs With A Future	★	★	★	★	★
Limited Services Volunteer	○	○	××	†	★
Literacy/Numeracy	■	■	■	××	×
Local Industry Partnerships	★	★	★	★★	★★
Mainstream Employment Programme	■	■	■		■
Mental Health Co-ordination			⊖		⊖
Mental Health Employment Service Trial			⊖	⊖	○
Migrant Employment Assistance	■	■	■		⊖
New Employment Transition Grant	■	■	■		⊖
New Initiative	■	■	†	★★	†
New Zealand Seasonal Work Scheme					⊖
OSCAR Provider Assistance	■	■	■		⊖
Outward Bound	○	○	○	○	○
PATHS	○	○	†	†	†
Preparing for Work	■	■	■		■
Recruitment Seminar	■	⊖	××	××	⊖
Seasonal Work Assistance	■	■	■		⊖
Self Employment Initiative	■	■	■		■
Skills for Growth	■	■	■		★
Skills for Industry			★	★★	★★
Skills Investment	★★	★★	★★	★★	★★
Skills Training	†	†	○	★★	★★

Intervention	2012	2013	2014	2016	2017
Sole Parent Employment Service Trial				⌚	★★
Sole Parent Support 52-week reapplication					■
Straight 2 Work	★★	★★	★★	★★	★★
Supported Living Payment Opt-In Service					⊖
Sustainable Employment Trial					⊖
Taskforce Green	★★	★★	★★	★★	★★
Training for Work	⌚	⌚	★	★★	★★
Training Incentive Allowance	†	××	××	†	★★
Transition to Work Grant	■	■	■		⊖
Vacancy Placement Full time					†
Vacancy Placement Part-time					★★
Vocational Services Employment	†	†	†	†	†
Work Ability Assessment					⌚
Work and Income Seminar	○	××	××	××	⊖
Work Bonus					⊖
Work Confidence	†	†	†	†	†
Work Experience	○	○	○	★★	★
Work Focused Case Management (General)				★★	★★
Work Focused Case Management (pilot)				★★	★★
Work Focused Case Management for Young SLP					■
Work Focused Case Management HCD				⌚	★★
Work Focused Case Management ICS (Early entrants)					⌚
Work Focused Case Management ICS (Entrenched)					★★
Work Focused Case Management Integrated Services (IS)				⌚	★★
Work Focused Case Management Integrated Services (Nominated)					⊖
Work Preparation Services					⊖
Work Search Support				★★	★★
Work Search Support (pilot)				★★	★★
Work to Wellness					⌚
WRK4U	■	★★	★★		★★
Young Parent Childcare			■		⊖
Youth Seminar			××	××	○
Youth Service (NEET)			⌚	⌚	××
Youth Service (YP)			⌚	⌚	★
Youth Service (YPP)			⌚	⌚	★★
Youth Training				××	×
Youth Transitions Services	■	■	■		××

**Interventions:** The table only shows interventions that had more than \$10,000 in

expenditure in any of the financial years between 2010/2011 and 2016/2017.

## Effectiveness rating by including additional outcomes

One of the important changes over the last three reports has been the inclusion of additional outcomes into the assessment of the effectiveness of EA interventions. In Table 12 below we show how the inclusion of additional outcomes has changed the effectiveness rating of interventions. Before 2017 we only used Independent of Welfare, and the rating of interventions on this outcome alone is shown in column one, the second column shows the rating in the 2017 report when we included employment and income and welfare, while the last column shows the current rating based on the addition of justice and qualification impacts. The table excludes interventions where we can only measure welfare impacts.

In general, the inclusion of more outcome domains has increased the probability of interventions being rated as mixed, promising and likely effective. In many instances, interventions with a negative impact on welfare have been found to have positive impacts on other outcome domains and therefore have shifted their rating towards mixed. Examples include Activity in the Community, Training Incentive Allowance, and Training Opportunities. However, interventions also go the other way, such as Job Plus hiring subsidy which has positive impacts on employment, income and welfare, but the negative impact on educational qualifications.

**Table 12: Effectiveness rating by outcome domain sets**

Intervention	Welfare only	Income, Employment and Welfare	All five outcomes
Activity in the Community	Negative	Mixed	Mixed
Careers Guidance and Counselling	Negative	Mixed	Mixed
Case Management Initiative	Negative	Mixed	Mixed
Community Employment	No difference	No difference	No difference
Community Work	Negative	Mixed	Mixed
CommunityMax	No difference	Promising	Promising
Course Participation Grant	Effective	Effective	Effective
DPB 12 week seminar	Negative	Likely negative	No difference
Driver licence programmes	No difference	Too soon	Too soon
Employment Placement or Assistance Initiative	Effective	Effective	Promising
Employment Support for Disabled people	Negative	Negative	Negative
Enterprise Allowance	Effective	Mixed	Mixed
Flexi-wage (Basic/Plus)	Effective	Effective	Effective
Flexi-wage Self Employment (subsidy)	Effective	Too soon	Too soon
Foundation Focused Training	Negative	Negative	Mixed
Health Interventions	Negative	Likely negative	Mixed
Hikoi Ki Pae-Rangi/New Horizons	Negative	Likely negative	No difference
Job Connection	Effective	Effective	Effective
Job For A Local	Effective	Effective	Effective
Job Opportunities with Training	Effective	Effective	Effective
Job Ops	Effective	Effective	Mixed
Job Plus	Effective	Effective	Mixed
Job Plus Maori Assets	Effective	Effective	Effective
Job Plus Training	Effective	Effective	Effective
Job Preparation Programme	Likely negative	No difference	No difference

Intervention	Welfare only	Income, Employment and Welfare	All five outcomes
Job Search Initiatives	Effective	Effective	Promising
Job Search Service	Likely negative	Mixed	No difference
Jobs With A Future	No difference	Promising	Promising
Limited Services Volunteer	Likely negative	Promising	Promising
Literacy/Numeracy	Negative	Negative	Likely negative
Local Industry Partnerships	Effective	Effective	Effective
Mild to Moderate Mental Health Services	No difference	No difference	No difference
Motivational Training	Negative	Negative	Likely negative
New Initiative	Effective	Effective	Mixed
New Zealand Conservation Corps	Negative	Negative	Negative
New Zealand Seasonal Work Scheme	No difference	Too soon	Too soon
Outward Bound	No difference	No difference	No difference
PATHS	Negative	Mixed	Mixed
Skills for Industry	Effective	Effective	Effective
Skills Investment	Effective	Effective	Effective
Skills Training	No difference	Effective	Effective
Sole Parent Support Study Assistance	Negative	Effective	Mixed
Straight 2 Work	Effective	Effective	Effective
Taskforce Green	Effective	Effective	Effective
Training for Work	Effective	Effective	Effective
Training Incentive Allowance	Promising	Mixed	Effective
Training Opportunities	Negative	Mixed	Mixed
Vacancy Placement Full time	Promising	Effective	Mixed
Vacancy Placement Part time	Effective	Effective	Effective
Vocational Services Employment	Effective	No difference	Mixed
Work Ability Assessment	No difference	Mixed	Too soon
Work Confidence	Negative	Effective	Mixed

## Appendix 2: Cost of EA interventions and CM services

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Working out the full cost of EA interventions and CM service is not straightforward. While some costs can be easily identified, such as contract payments or subsidy amounts, others are more difficult to determine. Examples of the latter include the cost of making a referral, setting up a vacancy placement or the time staff spend on case management.

MSD operates an individualised Cost Allocation Model (iCAM) to estimate the cost of the individual outputs delivered by MSD, including EA interventions (MSD, 2017). We define outputs as any activity or service delivered to individuals. For example, an output can be a seminar or a grant of a main benefit.

In brief, the iCAM splits the cost of each output into a set of cost components (components are defined as specific tasks that are involved in delivering an output). For example, a wage subsidy placement would include five components: referral, vacancy placement, subsidy amount, subsidy administration and indirect costs. The iCAM allocates the costs to each of these components based on financial and output information and the sum is the full cost of the wage subsidy placement.

Currently, we update the iCAM every financial year. In these updates, we include additional expenditure and outputs of the new financial year, but we also make updates to the process of allocating costs in light of better information or better understanding of where costs should be allocated. Any changes to the cost-allocation model itself are applied to all financial years from 2001/2002 onwards to ensure comparability of results over time. However, this retrospective updating of cost allocations means it is not possible to compare individual EA intervention costs between annual reports.

Estimating the cost of CM services also uses the outputs from the iCAM model. The cost of each CM service includes all types of assistance that a person might receive while on a given CM service. Alongside EA interventions, assistance will include case manager's time working with the individual to help them into employment as well as any costs involved in the administration of their income support entitlements and other types of financial and in-kind assistance.

Table 15 shows the estimated total cost of EA interventions from 2010/2011 onwards based on the 2017 version of the individualised Cost Allocation Model. The expenditure is in nominal dollars (ie it has not been adjusted for inflation) and includes indirect costs such as property, ICT, depreciation and support staff. On the other hand, it does not include costs of partner organisations (eg police, corrections) involved with a number of these interventions such as Limited Services Volunteer.

## **Expenditure on EA intervention participants' benefit status**

We estimated the breakdown of each EA intervention's expenditure by what benefit a person was on just before they started the programme. The reason to select the period before commencement is that some interventions result in a change in benefit status (eg wage subsidies). We grouped main benefits as follows:

- Jobseeker Support Work Ready (WR): Jobseeker Support Work Ready, Jobseeker Support Student Hardship, And Emergency Benefit.
- Jobseeker Support Health Condition or Disability (HCD)
- Sole Parent Support: Sole Parent Support, Emergency Maintenance Allowance
- Youth related: Young Parent Payment, Youth Payment
- Supported Living Payment: Supported Living Payment- Health Condition or Disability, Supported Living Payment – Caring for Sick or Infirm
- Off main benefit: not receiving a main benefit, but can be receiving supplementary and hardship assistance.

**Table 13: EA intervention 2016/2017 expenditure by participants' benefit status**

<b>Intervention</b>	<b>Youth</b>	<b>JS-WR</b>	<b>JS-HCD</b>	<b>SPS</b>	<b>SPL</b>	<b>Off benefit</b>	<b>Unallocated</b>	<b>Total</b>
\$3k to Work		\$2,648	\$366	\$269	\$62	\$599		\$3,944
Activity in the Community		\$23			\$234			\$257
Be Your Own Boss		\$179	\$61	\$84	\$25			\$349
Business Training And Advice Grant		\$70	\$20	\$32	\$12	\$21		\$155
Careers Guidance and Counselling		\$49	\$90	\$123				\$262
Case Management Initiative		\$12	\$8	\$8	\$1			\$29
Childcare Subsidy	\$3,542	\$8,285	\$2,132	\$69,122	\$3,820	\$121,908		\$208,809
Course Participation Grant	\$6	\$1,585	\$357	\$577	\$83	\$41		\$2,649
Driver licence programmes		\$40	\$8	\$28	\$2	\$3		\$80
Earthquake Support Subsidy							\$17,453	\$17,453
Employment Placement or Assistance Initiative		\$21,029	\$2,029	\$5,874	\$310	\$854		\$30,095
Employment Workshop		\$24	\$1	\$1				\$25
Flexible Childcare Assistance							\$334	\$334
Flexi-wage (Basic/Plus)	\$57	\$15,723	\$2,422	\$3,079	\$648	\$7,226	\$0	\$29,155
Flexi-wage Project in the Community (subsidy)		\$548	\$124	\$361	\$107	\$401		\$1,542
Flexi-wage Self Employment (subsidy)		\$942	\$145	\$362	\$93	\$497		\$2,040
Health Interventions		\$162	\$1,021					\$1,184
In Work Support							\$203	\$203
Information Services Initiative		\$187	\$43	\$103	\$7	\$124	\$0	\$465
Job Search Initiatives	\$30	\$2,587	\$993	\$757	\$65	\$35		\$4,466
Job Search Seminar		\$4	\$1	\$2				\$8

Intervention	Youth	JS-WR	JS-HCD	SPS	SPL	Off benefit	Unallocated	Total
Job Seeker Health Condition or Disability 52 week reapplication		\$6	\$8,008	\$1	\$3	\$3	\$0	\$8,020
Jobseeker Work Ready 52-week benefit reapplication		\$10,806	\$390	\$266	\$5	\$13		\$11,480
Limited Services Volunteer	\$105	\$4,737	\$114	\$105		\$420		\$5,482
Mainstream Employment Programme		\$839			\$2,194			\$3,034
Migrant Employment Assistance							\$725	\$725
New Employment Transition Grant				\$3		\$185		\$188
New Initiative	\$81	\$1,047	\$338	\$447	\$28	\$153		\$2,093
New Zealand Seasonal Work Scheme		\$306				\$19		\$325
OSCAR Provider Assistance							\$17,779	\$17,779
Outward Bound			\$21		\$129			\$150
PATHS			\$7					\$7
Recruitment Seminar		\$7	\$0	\$1				\$9
Seasonal Work Assistance		\$132	\$4	\$2		\$340		\$478
Self Employment Initiative		\$34		\$40				\$73
Skills for Industry	\$24	\$14,557	\$1,520	\$1,941	\$306	\$1,261		\$19,609
Sole Parent Employment Service Trial		\$305	\$12	\$1,344				\$1,661
Sole Parent Support 52-week reapplication		\$5	\$1	\$13,221		\$8		\$13,235
Supported Living Payment Opt-In Service		\$10	\$11		\$678			\$700

<b>Intervention</b>	<b>Youth</b>	<b>JS-WR</b>	<b>JS-HCD</b>	<b>SPS</b>	<b>SPL</b>	<b>Off benefit</b>	<b>Unallocated</b>	<b>Total</b>
Sustainable Employment Trial					\$65	\$72		\$137
Training for Work		\$12,786	\$817	\$2,649	\$116	\$389		\$16,757
Training Incentive Allowance	\$622			\$830	\$338			\$1,790
Transition to Work Grant	\$29	\$11,170	\$1,742	\$3,280	\$362	\$5,555		\$22,138
Vacancy Placement Full time	\$28	\$3,940	\$253	\$369	\$57	\$2,007		\$6,654
Vacancy Placement Part-time		\$1,280	\$163	\$343	\$51	\$465		\$2,303
Vocational Services Employment	\$37	\$4,012	\$4,049	\$839	\$10,969	\$11,073		\$30,980
Work Ability Assessment		\$115	\$777	\$19	\$30			\$942
Work and Income Seminar	\$2	\$1,293	\$138	\$258	\$34	\$228		\$1,953
Work Bonus				\$599	\$373	\$982		\$1,953
Work Confidence		\$796	\$199	\$302	\$32	\$20		\$1,349
Work Experience		\$27		\$9			\$0	\$35
Work Preparation Services	\$1	\$105	\$28	\$103	\$3	\$1		\$242
Work to Wellness		\$271	\$1,386	\$74	\$166			\$1,897
WRK4U	\$13	\$1,057	\$30	\$26	\$18	\$4,762		\$5,908
Youth Seminar	\$1	\$496	\$20	\$35	\$1	\$6		\$557
Youth Service (NEET)	\$327	\$27	\$9		\$88	\$15,708		\$16,160
Youth Service (YP)	\$8,948	\$667	\$313		\$14	\$698	\$0	\$10,641
Youth Service (YPP)	\$4,545			\$15		\$12		\$4,572
<b>Grand Total</b>	<b>\$18,399</b>	<b>\$124,930</b>	<b>\$30,173</b>	<b>\$107,904</b>	<b>\$21,530</b>	<b>\$176,089</b>	<b>\$36,496</b>	<b>\$515,520</b>

Not rated: not feasible, too soon to rate, not yet rated.  
Expenditure is in nominal dollars.

## Comparison of CM service and EA intervention expenditure

Case-management services include the provision of EA interventions. Therefore, we cannot compare the expenditure on CM service and EA interventions directly. To understand the degree of overlap, Table 14 shows the proportion of expenditure on EA interventions in 2016/2017 that was included in CM service expenditure. For example, of the expenditure of \$3k to Work (\$3,944) all was included in the direct EA expenditure, while two-thirds were included in CM service expenditure. The other third was spent on participants who were not assigned to any CM service when they began the \$3k to Work programme.

**Table 14: EA intervention expenditure in 2016/2017 included in CM services**

EA intervention	EA total expenditure	In CM service
\$3k to Work	\$3,944	66%
Activity in the Community	\$257	99%
Be Your Own Boss	\$349	99%
Business Training And Advice Grant	\$155	87%
Careers Guidance and Counselling	\$262	97%
Childcare Subsidy	\$208,809	0%
Course Participation Grant	\$2,649	96%
Earthquake Support Subsidy	\$17,453	0%
Employment Placement or Assistance Initiative	\$30,095	94%
Flexible Childcare Assistance	\$334	0%
Flexi-wage (Basic/Plus)	\$29,155	56%
Flexi-wage Project in the Community (subsidy)	\$1,542	60%
Flexi-wage Self Employment (subsidy)	\$2,040	77%
Health Interventions	\$1,184	98%
In Work Support	\$203	41%
Information Services Initiative	\$465	67%
Job Search Initiatives	\$4,466	94%
Jobseeker Health Condition or Disability 52-week reapplication	\$8,020	99%
Jobseeker Work Ready 52-week benefit reapplication	\$11,480	100%
Limited Services Volunteer	\$5,482	89%
Mainstream Employment Programme	\$3,034	86%
Migrant Employment Assistance	\$725	103%
New Employment Transition Grant	\$188	2%
New Initiative	\$2,093	85%
New Zealand Seasonal Work Scheme	\$325	75%
OSCAR Provider Assistance	\$17,779	0%
Outward Bound	\$150	100%
Seasonal Work Assistance	\$478	13%
Skills for Industry	\$19,609	88%

EA intervention	EA total expenditure	In CM service
Sole Parent Employment Service Trial	\$1,661	100%
Sole Parent Support 52-week reapplication	\$13,235	103%
Supported Living Payment Opt-In Service	\$700	0%
Sustainable Employment Trial	\$137	55%
Training for Work	\$16,757	94%
Training Incentive Allowance	\$1,790	58%
Transition to Work Grant	\$22,138	58%
Vacancy Placement Full time	\$6,654	58%
Vacancy Placement Part time	\$2,303	76%
Vocational Services Employment	\$30,980	57%
Work Ability Assessment	\$942	97%
Work and Income Seminar	\$1,953	83%
Work Bonus	\$1,953	35%
Work Confidence	\$1,349	95%
Work Focused Case Management for Young SLP	\$417	0%
Work Preparation Services	\$242	95%
Work to Wellness	\$1,897	100%
WRK4U	\$5,908	4%
Youth Seminar	\$557	95%
Youth Service (NEET)	\$16,160	2%
Youth Service (YP)	\$10,641	44%
Youth Service (YPP)	\$4,572	42%

**Table 15: EA intervention expenditure (in '000's) by financial year**

Intervention	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
\$3k to Work							\$3,944
3K to Christchurch					\$4,918	\$2,927	
Activity in the Community	\$146	\$1,044	\$238	\$174	\$259	\$284	\$257
Be Your Own Boss	\$486	\$457	\$254	\$370	\$232	\$311	\$349
Business Training And Advice Grant		\$162					\$155
CadetMax	\$1,608						
Careers Guidance and Counselling	\$623	\$429	\$172	\$312	\$264	\$148	\$262
Childcare Subsidy	\$195,573	\$196,629	\$194,917	\$194,738	\$191,755	\$191,332	\$208,809
CommunityMax	\$20,782	\$146					
Course Participation Grant	\$2,480	\$2,557	\$2,904	\$3,504	\$3,279	\$2,886	\$2,649
Driver licence programmes				\$712	\$614	\$382	
Earthquake Support Subsidy	\$9,615						\$17,453
Employment Placement or Assistance Initiative	\$15,696	\$18,849	\$18,891	\$19,385	\$21,919	\$21,917	\$30,095
Employment Workshop	\$5,534	\$2,586	\$1,657				
Enterprise Allowance	\$1,147	\$1,698					
Flexible Childcare Assistance					\$311	\$376	\$334
Flexi-wage (Basic/Plus)			\$31,316	\$37,174	\$36,145	\$39,166	\$29,155
Flexi-wage Project in the Community (subsidy)						\$316	\$1,542
Flexi-wage Self Employment (subsidy)			\$488	\$1,512	\$2,610	\$598	\$2,040
Foundation Focused Training	\$69,225	\$54,695	\$54,825	\$23,003			
General Case Management			\$24,535	\$95,050	\$89,694	\$82,787	\$77,021
Health Interventions				\$104	\$902	\$902	\$1,184
IB Employment Trial	\$116	\$115	\$120				
In Work Support	\$727	\$654	\$240	\$1,199	\$1,013	\$146	\$203
Information Services Initiative					\$226	\$360	\$465

Intervention	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Job For A Local	\$559	\$3,614					
Job Opportunities with Training		\$16,794					
Job Ops	\$25,117						
Job Preparation Programme	\$290	\$1,387					
Job Search Initiatives	\$3,582	\$2,710	\$3,422	\$3,251	\$3,642	\$5,826	\$4,466
Job Seeker Health Condition or Disability 52-week reapplication	\$579	\$5,181	\$5,791	\$7,145	\$7,440	\$7,551	\$8,020
Job Seeker Work Ready 52-week benefit reapplication	\$6,480	\$9,698	\$10,003	\$10,754	\$11,670	\$11,306	\$11,480
Jobs With A Future	\$1,743						
Limited Services Volunteer	\$11,453	\$10,325	\$7,975	\$8,787	\$8,726	\$5,060	\$5,482
Literacy/Numeracy	\$156	\$237	\$139				
Local Industry Partnerships	\$4,170	\$502	\$116				
Mainstream Employment Programme	\$3,583	\$4,189	\$4,521	\$3,573	\$385	\$573	\$3,034
Mental Health Co-ordination				\$749			
Mental Health Employment Service Trial				\$1,626	\$4,236	\$2,706	
Migrant Employment Assistance	\$762	\$764	\$723	\$764	\$782	\$782	\$725
New Employment Transition Grant		\$146	\$139	\$155	\$170	\$174	\$188
New Initiative	\$303	\$245	\$116	\$193	\$463	\$1,317	\$2,093
New Zealand Seasonal Work Scheme					\$148	\$393	\$325
OSCAR Provider Assistance	\$17,764	\$19,125	\$16,795	\$19,396	\$18,188	\$18,124	\$17,779
Outward Bound	\$586	\$713	\$667	\$693	\$731	\$190	\$150
PATHS	\$3,250	\$3,689	\$3,157	\$2,036	\$2,030	\$1,442	
Preparing for Work		\$277	\$230				
Recruitment Seminar	\$579	\$1,243	\$1,308				
Seasonal Work Assistance	\$453	\$451	\$380	\$404	\$359	\$493	\$478
Self Employment Initiative	\$332	\$263	\$104				

Intervention	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Skills for Growth		\$2,303					
Skills for Industry			\$19,478	\$18,230	\$16,990	\$16,691	\$19,609
Skills Investment	\$10,391	\$29,287					
Skills Training	\$261	\$547	\$113				
Sole Parent Employment Service Trial				\$1,962	\$3,597	\$2,953	\$1,661
Sole Parent Support 52-week reapplication						\$3,260	\$13,235
Straight 2 Work	\$7,518	\$12,778					
Supported Living Payment Opt-In Service							\$700
Sustainable Employment Trial				\$134	\$145	\$138	\$137
Taskforce Green	\$1,705	\$4,199					
Training for Work	\$16,319	\$34,260	\$31,009	\$37,690	\$35,861	\$30,179	\$16,757
Training Incentive Allowance	\$10,387	\$6,863	\$5,482	\$4,027	\$3,440	\$2,495	\$1,790
Transition to Work Grant	\$13,640	\$29,470	\$27,283	\$28,726	\$20,961	\$21,082	\$22,138
Vacancy Placement Full time	\$12,336	\$14,550	\$16,774	\$11,471	\$8,736	\$11,208	\$6,654
Vacancy Placement Part time	\$4,789	\$5,041	\$7,258	\$5,372	\$3,355	\$3,905	\$2,303
Vocational Services Employment	\$35,219	\$34,919	\$34,379	\$32,176	\$31,894	\$31,856	\$30,980
Work Ability Assessment					\$400	\$659	\$942
Work and Income Seminar	\$4,723	\$5,074	\$4,770	\$1,701	\$1,981	\$1,903	\$1,953
Work Bonus				\$3,566	\$3,515	\$2,980	\$1,953
Work Confidence	\$2,109	\$2,386	\$2,043	\$867	\$1,909	\$2,776	\$1,349
Work Experience	\$477	\$593	\$678	\$310	\$690		
Work Focused Case Management (General)				\$159,453	\$141,910	\$139,692	\$121,462
Work Focused Case Management (pilot)			\$23,849				
Work Focused Case Management for Young SLP					\$109	\$275	\$417
Work Focused Case Management HCD				\$5,901	\$8,933	\$20,129	\$23,266
Work Focused Case Management ICS (Early entrants)						\$243	\$157

Intervention	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Work Focused Case Management ICS (Entrenched)					\$251	\$886	\$680
Work Focused Case Management Integrated Services (IS)				\$9,186	\$10,610	\$9,152	\$9,589
Work Focused Case Management Integrated Services (Nominated)							\$397
Work Preparation Services					\$187	\$275	\$242
Work Search Support				\$64,037	\$58,147	\$44,247	\$46,678
Work Search Support (pilot)			\$25,986				
Work to Wellness							\$1,897
WRK4U	\$5,385	\$5,472	\$5,800	\$5,522	\$5,373	\$5,353	\$5,908
Young Parent Childcare	\$244	\$310					
Youth Seminar		\$2,620	\$1,951	\$187	\$380	\$259	\$557
Youth Service (NEET)			\$18,636	\$20,111	\$20,636	\$21,723	\$16,160
Youth Service (YP)			\$4,267	\$8,570	\$10,295	\$10,271	\$10,641
Youth Service (YPP)			\$3,752	\$5,413	\$5,007	\$4,211	\$4,572
Youth Training	\$191	\$119					
Youth Transitions Services	\$11,816	\$13,175	\$229				

**Interventions:** The table only shows interventions that had more than \$10,000 in expenditure in any of the financial years between 2010/2011 and 2016/2017.

Financial Year columns do not add to the total expenditure on employment assistance as expenditure on EA intervention and CM services in the table overlap.

## Appendix 3: Outcome and impact estimates

The accompanying dataset [2018 MSD Employment Assistance 2016\_2017 intervention impact results .csv] provides the empirical estimates for the five outcome measures used in this analysis for all EA interventions and CM services covered in this report. For each intervention and outcome, we show the observed and projected impacts. In the observed columns, the period column is the number of years after participation start date that we measure cumulative outcomes. Participant outcomes are the observed outcomes of participants over the follow-up period and the impact is the estimated difference the intervention made to participant's outcomes. The projected impact columns show the period that we projected outcomes over (this is either 30 years or when we observe the full cumulative impact) and the estimated impact over the full projection period.

The outcome code refers to the specific measure we used to assess the impact of the intervention on each outcome domain. Table 16 provides a brief description of each outcome and how to interpret the impact estimate.

**Table 16: Outcome code descriptions and definitions**

outcome code	Impact	Definition
COA	Impact in any corrections service (weeks)	Corrections services include prison, community sentence and home detention. Source: SNZ, IDI.
EMP	Impact on time in employment (weeks)	Employment is based on tax data (PAYE and annual tax returns). Source: SNZ IDI.
IAN	Impact on net income from all sources	Income includes taxable earnings, taxable and non-taxable income support payments and pensions (but excluding recoverable assistance), and student allowance payments net of income tax. Source: SNZ IDI.
ISI	Impact on net income support payments	Income includes taxable and non-taxable income support payments and pensions (but excluding recoverable assistance) net of income tax. Source: SNZ IDI.
IWI	Impact on time spent independent of Work and Income assistance in weeks	A person is no longer receiving a main benefit or employment assistance. Source: SNZ IDI.
NQA	Impact on the highest NQF level achieved	The highest NQF level awarded. NQF levels start at 1 (year 11) through to 9 (PhD). Source: SNZ, IDI.
OBN	Impact on time spent off main benefit in weeks	A person is no longer receiving a main benefit. Source: Source: SNZ IDI.

## Appendix 4: Intervention descriptions

Table 17 provides a brief description of each of the interventions included in this review. While we attempt to have a complete description as possible, we were not always able to find detailed documentation for all interventions.

**Table 17: Description of EA interventions funded between 2010/2011 and 2016/2017**

Intervention	Description
\$3k to Work	\$3k to Work is a non-taxable \$3,000 incentive payment for applicants who want to relocate to secure sustainable, full-time employment. People from Canterbury and Auckland are excluded from the initiative due to the strength of the labour market in these areas (unless they are experiencing social conditions which would make relocation beneficial). Individuals are ineligible for \$3k to Work if they have received the payment within the last 52 weeks.
3K to Christchurch	\$3k to Christchurch was a one-off incentive payment to encourage job seekers living outside of Christchurch to take up employment in the city to assist with the post-earthquake rebuild. The non-taxable payment of \$3,000 was available to applicants living outside of Christchurch who had secured full-time employment with an appropriate business in the Christchurch area.
Activity in the Community	Activity in the Community projects offers participants on non-work obligated benefits the opportunity to gain unpaid work experience in a community organisation. Participants remain on benefit and receive a small additional payment to cover any costs associated with participating in the programme. Placements should be for no more than 26 weeks during any 52 week period.
Be Your Own Boss	The Be Your Own Boss programme delivers self-employment training and support to people who are either unemployed, facing redundancy, are unwaged or receiving a main benefit. Community-based organisations, usually Enterprise Agencies, deliver Be Your Own Boss.
Business Training And Advice Grant	The Business Training and Advice Grant programme helps people on income support to investigate whether they want to start their own business. The grant can be up to \$1,000 (including GST) per person, per project and can be used to gain business skills training, develop a business plan, and solicit advice, when starting a business. Often people use the Business Training and Advice Grant to develop their business plan as part of their application for financial assistance to set up a business (eg Enterprise Allowance, Flexi Wage (self-employment)).
CadetMax	CadetMax was a programme where young people in South Auckland who are given job-specific training to place them into an identified job. In addition to training, the programme also emphasises mentoring and helping participants identify their career goals. The target group are people on income support aged 18 to 24 years.
Careers Guidance and Counselling	The Career Guidance and Counselling is a voluntary programme that contracts professional careers advisors to help participants make informed decisions about their employment and training options.
Case Management Initiative	Case Management Initiatives include activities that provide specialist case-management assistance contracted from an external third party.

Intervention	Description
Childcare Subsidy	Childcare Subsidy is a non-taxable payment that aims to assist people with dependent children to undertake and remain in employment, education or training. Most people are eligible to receive up to 9 hours of subsidised payments a week, but some can qualify for up to 50 hours if they are in full-time training or employment without access to alternative child care assistance.
Christchurch Programme Boost	The Christchurch Programme Boost was a short-term programme of employment assistance in response to the Canterbury earthquakes of 2011 and 2012. [more detail needed]
CommunityMax	Community Max was a subsidised community-based work experience programme for people aged 18 to 24 on main benefits. The subsidy was equivalent to the minimum wage, lasted for six months and could cover the costs of supervision and training. While on CommunityMax, participants spent up to 30 hours a week helping complete community-based projects and prepare for further opportunities in the workforce. To receive CommunityMax funding, the project had to be of benefit to the community, not displace existing staff or contractors, be in addition to the normal work of the organisation, and be non-commercial.
Course Participation Grant	The Course Participation Assistance is a non-taxable, non-recoverable grant of up to \$1,000 in a 52-week period, for actual and reasonable costs of participating in short-term (generally less than 12 weeks) employment-related training courses or programmes.
Driver licence programmes	The programme funds with driving schools to help participants obtain a private driver licence to help them prepare to move into employment.
Earthquake Support Subsidy	Earthquake Support Subsidy was a payment created for employers with fewer than 20 staff to assist them to pay their employees during the disruption to their business from the Canterbury earthquakes of 2011 and 2012. The programme was also used to support employers during the 2016 Kaikoura earthquake. The payment was a wage subsidy, paid for up to four weeks and made directly to the employer, who then paid their employees.
Employment Placement or Assistance Initiative	Employment Placement or Assistance Initiative contracts third-party providers to provide employment placement and support services for selected participants. Contracts are performance-based, so some of the payments are contingent on participants achieving exits to work, and remaining in employment for specified periods (usually around 3 months). An emphasis is put on targeting medium-to high-risk clients. At present, contract performance payments take no account of local labour market conditions.
Employment Workshop	Employment Workshops were group-based activities to help participants with their job search in a supported and structured environment. The workshops ran for one hour and involved a trained facilitator talking to modular-based topics, and then helping the group with self-directed job search activities.
Enterprise Allowance	The Enterprise Allowance programme was designed to help people on income support to start their own business. Potential participants had to develop a business plan which was assessed for viability. If the business plan were considered viable, the participant would receive a subsidy to cover capital costs of establishing the business. Also, a participant would receive a subsidy to cover the initial establishment of the business until cash flows were large enough to support the participant. Participants are not required to pay back the capital grant or the subsidy.

Intervention	Description
Flexible Childcare Assistance	Flexible Childcare Assistance (FCA) is a non-taxable payment designed to help sole parents receiving Sole Parent Support (SPS) and Jobseeker Support (JS) take up work during non-standard hours where no formal childcare options are available. The Flexible Childcare Assistance payments begin at \$50 for the first child and \$25 for each additional child in care up to a maximum of \$150 per week. FCA helps clients meet the costs of having someone look after their children when some of their work hours fall outside the times OSCAR (Out of School Care and Recreation) and Early Childcare Education programmes are operating. Assistance was originally available for a maximum of 13 weeks but was extended to 26 weeks in April 2017.
Flexi-wage (Basic/Plus)	Flexi wage is a hiring subsidy paid to employers to hire disadvantaged job seekers. The subsidy can be for up to one year and be no more than \$22,000 in that year. The level and duration of the subsidy should reflect the investment necessary to increase participant's skills to the requirements of the position. It is expected that the participant will remain in employment following the end of the subsidy.
Flexi-wage Project in the Community (subsidy)	Flexi-Wage Project in the Community is a subsidised voluntary community-based work experienced programme. The programme is designed to allow participants to experience project-based work where they can develop work habits and general on-the-job skills. The secondary goal is to assist with the completion of community or environmental projects that would not otherwise be undertaken. Flexi-Wage Project in the Community can cover support and mentoring, but not training. As at 1 April 2014, a wage subsidy of \$427.50 (including GST) can be paid per participant per week, provided the subsidy is kept within the annual maximum of the current adult minimum wage (at 30 hours per week).
Flexi-wage Self Employment (subsidy)	The Flexi-wage Self Employment programme provides financial assistance for people on income support starting their own business. Assistance can be a combination of grants to cover capital costs for establishing the business and a subsidy to cover the initial establishment of the business until cash flows were large enough to support the participant. The Flexi-wage Self Employment subsidy can be given on its own, or in conjunction with the Self-Employment Start-up payment.
Foundation Focused Training	Foundation Focused Training Opportunities (FFTO) was a programme designed to enable people with low qualifications and at high risk of long-term benefit receipt, to participate in further education or training. FFTO assisted people to acquire the foundation skills needed to enter employment or further tertiary education. FFTO courses had a strong focus on language, literacy and numeracy skills and ran for a maximum duration of 26 weeks. On completion of FFTO, the training provider was responsible for job placement and post-placement support of participants.
General Case Management	General Case Management (GCM) service is primarily for meeting the income support entitlements of people on main benefits. People are assigned to GCM if they have not been allocated to more intensive case management services such as WFCM General and can remain on this service indefinitely. The high caseload ratios between case managers and participants meant case managers do not have much time to provide active case management of GCM participants.

Intervention	Description
Health Interventions	Targeted Health Interventions are for people on health or disability-related benefits who want to work. In partnership with health providers, these programmes assist people in accessing a wide range of health, employment, and community services designed to help them to return to work.
IB Employment Trial	The Employment Trial allows people receiving the Supported Living Payment (formally the Invalid's Benefit) to 'trial' working for over 15 hours a week for up to six months. During the trial period, people can return to benefit support without having to reapply. The trial intends to provide the opportunity for people to determine how employment impacts upon their health and whether they can sustain a level of work that will allow them to become independent of the benefit.
In Work Support	In Work, Support involves non-financial assistance to help people transition from benefit into employment. In-work support providers try to help with issues, such as financial difficulties, family and life demands, and labour market conditions. In Work, Support can be conducted by staff or external providers.
Information Services Initiative	Information Services Initiatives are local initiatives to provide information on labour market opportunities and assistance available from Work and Income.
Job For A Local	Job for a Local was a short-term wage subsidy programme designed to encourage Canterbury employers to take on staff after the September 2010 and February 2011 earthquakes. The subsidy was intended to promote permanent employment. Job for a Local provided a \$3,000 wage subsidy, in two payments, to employers who took on disadvantaged jobseekers before the end of June 2011. From July 2011, the subsidy was increased to \$5,000 per person employed and had to include a training plan.
Job Opportunities with Training	Job Opportunities with Training was a subsidised work experience programme combined with on the job training. Employers received an initial subsidy payment of \$3,000 to employ a young person under the age of 25. A further \$2,000 was paid after the young person spent six months with the employer and the agreed training was provided. Job Opportunities with Training was targeted to people under 25 years of age, receiving income support for at least 13 weeks or assessed as at risk of long-term benefit receipt.
Job Ops	Job Ops was a six-month subsidised job placement for people aged 16 to 24 years with limited work experience and low skill levels, to help them build confidence, and demonstrate their ability to work. The subsidy consisted of an initial payment of \$3,000, weekly wage subsidies of \$192.31 (including GST), and a further payment of \$2,000 once the employee completed six months of work.
Job Preparation Programme	Job Preparation Programme was a half day training programme to help job seekers undertake self-directed job search activity.
Job Search Initiatives	Job Search Initiatives were designed to improve the job search skills of participants and to ensure jobseekers, especially short-term jobseekers, were active in looking for work. The content of these programmes was generic and varied between service centres. Participation was compulsory for people with work obligations.

Intervention	Description
Jobseeker Health Condition or Disability 52-week reapplication	People on Jobseeker Support related benefit with work obligation exception due to health condition or disability are required to reapply for their benefit every 52 weeks after initial benefit grant. As part of the application, people need to complete a Comprehensive Work Assessment. If they do not reapply before their benefit grant anniversary date, their benefit is automatically cancelled. In addition, if they do not show a commitment to finding employment, their reapplication for benefit may be declined.
Jobseeker Work Ready 52 -week benefit reapplication	All people Jobseeker Support Work Ready benefit are required to reapply for their benefit every 52 weeks. As part of the process, participants complete a Comprehensive Work Assessment (CWA) interview that assesses their assistance needs and commitment to finding work. People who do not complete the reapplication process, without good reason, have their benefits cancelled on their anniversary. If they later want to return to benefit, they need to go through the full reapplication process.
Jobs With A Future	Jobs with a Future addressed skills shortages in industries by supporting people on income support in gaining industry-specific skills and then placing them into an established vacancy. Jobs with a Future pre-employment training lasted up to 12 weeks before participants were matched to local employers. Post-placement career support, lasting up to three months, was designed to help participants sustain employment.
Limited Services Volunteer	Limited Services Volunteer (LSV) is a six-week residential motivational training scheme run by the New Zealand Defence Force. LSV targets people on income support aged between 17 and 25 years. LSV participants stay at an army barracks for six weeks. While the course takes place in a military environment and uses military facilities, only the parade ground drill and physical training activities are similar to military training, other activities include camps and three-to four-day tramps. There is a strong emphasis on obeying service discipline with customs, regulations and Military Law. Participants are issued with full uniform for the duration of the training. At the conclusion of the course, LSV trainees will receive a certificate of service and take part in a graduation parade.
Literacy/Numeracy	Courses designed to improve the literacy or numeracy skills of participants.
Local Industry Partnerships	Local Industry Partnerships helped industries, employers and government to establish a co-ordinated employment training and recruitment framework. MSD Work and Income teams formed partnerships with industry sectors, and employers experiencing skill and labour shortages. Jobseekers were selected and given training designed to meet the entry-level requirements for the specific industry.
Mainstream Employment Programme	The Mainstream Employment Programme provides a package of wage and training subsidies, and other support, to help people with significant disabilities obtain work and gain work skills. Participants are placed in created jobs, for a two-year period, to assist them to gain the knowledge, skills and experience necessary to gain employment on merit in the future. The positions created are tailored to the skills and abilities of the participant and the needs of the employer. Although the expected outcome of the programme is that each participant will retain the job when the subsidy ends, no guarantee of on-going employment is required of employers.
Mental Health Co-ordination	No description currently available.

Intervention	Description
Mental Health Employment Service Trial	Mental Health Employment Service Trial was a voluntary contracted out job placement service. The service was targeted to people on Jobseeker Support with mild to moderate mental health issues (stress, depression or anxiety). Participants are referred to external providers for case management to help them move into employment. Provider payments are linked, in part, to participants exiting benefit and remaining in work.
Migrant Employment Assistance	The Migrant Employment Assistance (MEA) programme provides funding for projects that work with recognised migrant communities to develop the skills needed to access the labour market, where support through existing services is not available. MEA programmes were administered by NGOs direct to communities.
New Employment Transition Grant	The New Employment Transition Grant provides a payment, of up to \$705 within a six-month period, to people with a dependent child, or children, during the first six months after they leave benefit to work. The grant is paid when the individual is unable to work because they, their partner (if any) or their dependent child becomes sick or because of a break down in childcare arrangements. The grant is non-recoverable and non-taxable.
New Initiative	New Initiatives are locally designed and developed programmes, or services, that assisted people on income support progress into employment. New Initiatives programmes allowed service centres to respond quickly to changing labour market needs and opportunities by trialling new programmes to move people closer towards, or to gain, employment.
OSCAR Provider Assistance	OSCAR Provider Assistance programme aims to help community providers establish OSCAR (Out of School Care and Recreation) services. The programme consists of a one-off development grant of up to \$3,000, along with training and advice provided by OSCAR fieldworkers. An annual assistance grant of up to \$9,000 may also be available to providers where there is a shortfall between revenue and operating costs. The package of OSCAR services are designed to provide childcare assistance to parents outside of school hours so that parents can remain or move into employment.
Outward Bound	Outward Bound provides residentially based motivational training courses in Anikiwa, Marlborough Sounds. MSD funds places on the programme for people receiving income support of various ages and abilities. Outward Bound runs for two weeks and involves a number of outdoor activities including kayaking, sailing, bushcraft, and solo expeditions. The aim is to increase participants' self-confidence, motivation and initiative. After completing Outward Bound, participants are case managed to help ensure the participant moves into suitable employment or further training.
PATHS	Providing Access to Health Solutions (PATHS) is an employment programme for people on health and disability-related benefits that require assistance to return to employment. The PATHS service is provided through partnerships between MSD, District Health Boards (DHBs), Primary Health Organisations (PHOs) and Community Mental Health Non-Government Organisations (NGOs). These partnerships assist participants in accessing a wide range of health, employment and community services to help them return to work. The service allows for the funding of interventions that would not normally be available through the publicly funded health sector within six months of an issue being identified.

Intervention	Description
Preparing for Work	Preparing for Work was an assessment process designed to help case managers identify the skills and abilities of people receiving Job Seeker and Supported Living Payment benefits who want to work. The information could be used to assist in planning towards, finding or retaining employment.
Recruitment Seminar	The Recruitment Seminar was a group-based activity designed to help jobseekers with their job search in a supported and structured environment, by providing access to employers and training providers, available vacancies, and facilitator support. The seminar was compulsory for all jobseekers who had been receiving unemployment related benefits for four weeks.
Seasonal Work Assistance	Seasonal Work Assistance provides a non-taxable payment to help people moving into seasonal horticulture work. Financial assistance, of up to \$900 in a 26-week period, and is provided to workers who are unable to work (and subsequently lose income), due to poor weather. The programme is intended to encourage people to take up seasonal horticultural work, in situations where the person may be concerned about any loss of income.
Self Employment Initiative	The Self Employment Initiatives are locally designed programmes to assist jobseekers into self-employment using mechanisms, such as mentoring, training, business advice and coaching.
Skills for Growth	Skills for Growth provided a subsidy of up to \$5,000 to employers to employ and up-skill young people, aged 16 to 24 years, in high demand industries. The subsidy contributed towards the costs of training young employees, where employers supported them to attain an industry recognised qualification at NCEA level two or above, or offer them permanent employment.
Skills for Industry	The Skills for Industry programme provides short-term job-focused training for people on income support who require up-skilling for specific requirements identified by industry. The programmes are short to medium term and tailored to job-specific requirements for particular vacancies (eg retail skills, hospitality skills etc). Training can be offered as pre-employment or in-work training, and programmes can be delivered by providers or employers.
Skills Investment	Skill Investment was a temporary hiring subsidy to compensate employers for hiring disadvantaged jobseekers over more suitable applicants. The level and duration of the subsidy reflected the anticipated level of assistance required for the participant to reach required levels of productivity for a position. The subsidy covered employer costs, such as the time spent training the participant, and for other associated costs. At the end of the subsidy period, the employer was expected to retain the participant.
Skills Training	Skills Training, also known as Targeted Training, was contracted training for people receiving income support, to assist them to move into employment. Two examples of Skills Training were: (i) English as a second language course that included job search methods for long-term unemployed migrants with a professional qualification, and (ii) training for call centre operations.

Intervention	Description
Sole Parent Employment Service Trial	Sole Parent Employment Service trial was a voluntary contracted out job placement programme targeted at sole-parents with full or part-time work obligations. Participants were referred to external providers, who supported participants to move closer to full-time employment. Payments to providers were in part based on participants exiting benefit into employment.
Sole Parent Support 52-week reapplication	People on Sole Parent Support benefit are required to reapply for their benefit every 52 weeks after initial benefit grant. As part of the application, people need to complete a Comprehensive Work Assessment. If they do not reapply, their benefit is automatically cancelled.
Sole Parent Support Study Assistance	The Sole Parent Support (SPS) Study Assistance is a Special Needs Grant. It provides recoverable assistance of up to \$500 a year to contribute to the course-related costs for people receiving Sole Parent Support who study at NQF level 4 or above. Individuals become eligible for the SPS Study Assistance once they have exhausted their entitlement to Student Loan course-related costs.
Straight 2 Work	Straight 2 Work addressed skills shortages in industries by supporting people on income support to gain industry-specific skills and then place them into an established vacancy. Straight 2 Work pre-employment training lasted up to 12 weeks before participants were matched to local employers. Post-placement career support lasted up to three months and was available to help participants sustain employment.
Supported Living Payment Opt-In Service	People receiving the Supported Living Payment (SLP) wanting to work more than 15 hours a week can volunteer to be part of the Work Focused Case Management HCD service (WFCM HCD). The caseload of WFCM HCD case managers can have up to 10% of their caseload with people on SLP.
Sustainable Employment Trial	The purpose of the Sustainable Employment Trial is to encourage and support recipients of the Supported Living Payment (SLP) who want to move into employment or increase their hours of work. The trial achieves this by giving them time to establish whether they can sustain that employment and cease receiving that benefit without having to worry about needing to reapply for SLP. Through the trial people on SLP, with the agreement of their case manager, can work 15 hours or more a week for an agreed period of up to 26 weeks, without losing their entitlement to SLP.
Sustaining Offenders into Employment Trial (in-house)	The Sustaining Offenders into Employment Trial focuses on (i) ensuring offenders are better prepared for work before and then after their release; and (ii) building incentives for offenders and employers to improve employment outcomes towards successful reintegration. The trial has two arms, in-house and contracted out. The in-house service involved up to 200 participants at any one time. Five Intensive Client Support Managers (ICSMs) delivered this service and had a caseload ratio of 1:40. Participants who were receiving a benefit and had full-time, part-time or deferred work obligations need to work with their ICSM as part of their benefit obligations. The ICSMs facilitated access to care and support services beginning up to 10 weeks before release from prison and, if the participant comes onto a benefit, for a further 12 months. If the participant moved into work and agreed, ICSM could continue to provide support for a further 12 months after participants began paid employment.

Intervention	Description
Taskforce Green	Taskforce Green was a partially subsidised work experience programme targeted at non-profit environmental projects. Placements could last up to six months, with the minimum wage paid to participants split between the project organiser and MSD. The goal was for participants to build their confidence and work habits, while at the same time benefiting local communities and the environment through work that would not otherwise be undertaken.
Training for Work	Training for Work (TFW) assists participants at risk of long-term benefit receipt to acquire industry-focused skills that are needed to enter employment. TFW courses run for a maximum duration of 13 weeks, and on completion include job placement and post-placement support for participants. Training is provided in a variety of learning environments including Polytechnics, Marae, Private Training Establishments and workplaces. Providers of TFW courses must be registered and accredited by the New Zealand Qualifications Authority (NZQA) to enable learners to gain recognised national qualifications. Learners generally complete unit standards towards National Certificates.
Training Incentive Allowance	Training Incentive Allowance (TIA) provides financial assistance to sole-parent and people with long-term health condition or disability. TIA aims to enable participants to undertake employment-related training to improve their work skills and increase their prospect of moving into full-time or part-time employment. The allowance pays for the actual costs incurred to the participant by attending the training course up to NQF 3; this is \$106 per week of the course, up to a maximum of \$4,240.
Transition to Work Grant	The Transition to Work Grant is a non-taxable, non-recoverable payment that can be made to people on income support. The purpose of the Transition to Work Grant is providing flexible financial assistance to help meet the additional costs of entering into employment. The Transition to Work Grant can also be used to help with job interviews and related pre-employment costs.
Vacancy Placement Full time	A free MSD vacancy placement service where employers can lodge vacancies. Work Brokers then select and profile potential candidates for the employer. Work Brokers have the option of providing further assistance in the form of training or a hiring subsidy. In cases where further assistance is provided, these interventions are evaluated separately (for example hiring wage subsidy programmes).
Vacancy Placement Part-time	A free MSD vacancy placement service where employers can lodge vacancies. Work Brokers then select and profile potential candidates for the employer. Work Brokers have the option of providing further assistance in the form of training or a hiring subsidy. In cases where further assistance is provided, these interventions are evaluated separately (for example hiring wage subsidy programmes).
Vocational Services Employment	Vocational Services are a range of services to support people with disabilities to participate in employment. Vocational Services that may provide support for people who have one or more disability to gain or retain sustainable employment. Assistance includes: Supported Employment and Employment Placement services – to provide support to place people with disabilities into open paid employment and where required the provision of on-going support to assist them to remain in employment. Support Funds – the collective name for Job Support, Training Support, Modification Grant and Self Start. These services are available where an individual has (i) one or more disability that is likely to continue for more than six months and (ii) the disability presents a barrier to employment, and (iii) where support is required in addition to

Intervention	Description
	general employment assistance programmes and services.
Work Ability Assessment	A Work Ability Assessment is an independent assessment to identify what work a person on health or disability related benefit can do, and what support and services they need to gain and retain work. A suitably qualified medical or health professional undertakes the assessment, such as a psychologist or occupational therapist, experienced in assisting people into work. Before being referred, participants need to complete a Work Capability Assessment and Self-Assessment.
Work and Income Seminar	Work and Income seminars are designed to make clients aware of all available Work and Income assistance before their initial case management interview and to encourage clients to move into work.
Work Bonus	Work Bonus acts as an incentive to, and in recognition of, an individual's efforts to gain and commence paid employment and exit the benefit system when they do not have work obligations. The payment is a non-taxable and non-recoverable payment to individuals on specific benefits who do not have full-time work obligations and who cancel their benefits to move into employment. Work Bonus can only be paid once in a 52-week period and equates with the individual's full benefit rate for the first week it is paid. Subsequently, the payment rate decreases by \$100 each week until it is less than \$10 (\$5 for partners) when it ceases.
Work Confidence	Work confidence programmes are short-term courses designed to provide the skills, motivation and confidence needed to help participants move into employment or undertake further training or education.
Work Experience	Work experience trials are unpaid placements with employers, of up to four weeks, at a maximum of 40 hours per week. The purpose of a work experience trial is to increase a participant's motivation, confidence, skills and self-esteem through connection to the workplace. The employer is not expected to retain the participants at the end of the subsidy period.
Work Focused Case Management (General)	Work Focused Case Management General (WFCM Gen) is a mandatory case management service. WFCM General case manager have a caseload of no more than 121 primary beneficiaries per case manager. WFCM General participants are mainly made up of sole parents, jobseekers and a small proportion of jobseekers with a health condition or disability (with part-time work obligations).
Work Focused Case Management (pilot)	Work Focused Case Management (WFCM) pilot was a mandatory one to one case management of participants with caseloads capped at 108 primary beneficiaries per case manager. WFCM case managers provide both income support and employment assistance.
Work Focused Case Management for Young SLP	Work Focused Case Management for Young SLP was a trial that allowed 160 young people who received Supported Living Payment (SLP) to voluntarily participate in Work Focused Case Management HCD. WFCM-HCD was a one to one case management service for people receiving health and disability-related benefits. WFCM HCD case managers have a caseload of no more than 100 participants with a maximum of 10 Young SLP. In addition to managing income support, WFCM HCD case managers work with participants on moving into employment, up-skilling and higher education outcomes over the medium-to-long term.

Intervention	Description
Work Focused Case Management HCD	Work Focused Case Management HCD (WFCM HCD) is an employment-focused case-management service for people with a health condition or disability. WFCM HCD involves specialised case-management support for clients with a health condition or disability by preparing them for work while taking steps to resolve any specific barriers to work they might have. To be eligible for the WFCM: HCD service, a person must be on a Jobseeker Support but have deferred work obligations due to a health condition or disability. Current WFCM: HCD caseloads are capped at 100 primary beneficiaries per case manager.
Work Focused Case Management ICS (Early entrants)	Work Focused Case Management Intensive Client Support (ICS) is a mandatory internal case-management service with a caseload of no more than 40 clients for each case manager. WFCM ICS case managers work with high needs clients who have complex issues and barriers. This version of ICS target people who entered the benefit system at 18 or under and were 24 years or younger when starting the service.
Work Focused Case Management ICS (Entrenched)	Work Focused Case Management Intensive Client Support (ICS) is a mandatory internal case-management service with a caseload of no more than 40 people for each case manager. WFCM ICS case managers work with high needs clients who have complex issues or barriers to employment. This version of ICS target people who entered the benefit system at 18 or under and were 25 years or older when starting the service.
Work Focused Case Management Integrated Services (IS)	Work Focused Case Management Integrated Services (IS) is a one-to-one intensive case-management service for up to 100 primary beneficiaries per case manager. Eighty of these primary beneficiaries are allocated to case managers and are people who have left Young Parent Payment and Youth Payment benefits, followed by jobseekers under the age of 25. Also, up to 20 primary beneficiaries and their families who have complex needs and are not eligible for the WFCM-IS can be referred or selected by case managers for inclusion into the WFCM IS service.
Work Focused Case Management Integrated Services (Nominated)	Work Focused Case Management Integrated Services (IS) is a one-to-one intensive case-management service for up to 80 primary beneficiaries per case manager later increased to 100. Up to 20 primary beneficiaries and their families who have complex needs and are not eligible for the WFCM-IS can be referred or selected by case managers for inclusion into the WFCM IS service. These people are part of the Work Focused Case Management Integrated (nominated) service.
Work Preparation Services	Unknown
Work Search Support	Work Search Support (WSS) is a mandatory one to many case-management service, with caseloads capped at 215 primary beneficiaries per case manager. WSS involves a structured sequence of job search seminars called Work Development Workshops. In addition to job search assistance, people on WSS also participate in employment programmes and services. WSS is designed for participants who are close to work ready and so participants on main benefit for less than seven weeks were left to manage their own job search.

Intervention	Description
Work Search Support (pilot)	Work Search Support (WSS) was a mandatory one to many case-management service, with caseloads capped at 218 primary beneficiaries per case manager. WSS involved a structured sequence of job search seminars with clients. In addition to job search assistance, people on WSS also participated in employment programmes and services. Participants on main benefit for less than seven weeks independently managed their own job search.
Work to Wellness	Work to Wellness is a contracted case-management service for people with a mental health diagnosis, to assist them in preparing for work, find a job and support them and their employer when they start work. The provider assists participants to find work by supporting job search activities, identifying employment opportunities that are appropriate to the participant's work preference, brokering appropriate employment through their employer networks, providing post-placement support for up to 12 months for participants in full-time employment or off benefit.
WRK4U	WRK4U is a pre-benefit seminar for people planning to apply for work obligated benefits. The seminar sets out the eligibility criteria and mutual obligations for unemployment-related benefits as well as identifying available job opportunities.
Young Parent Childcare	The Young Parent Childcare Payment helped parents aged under 18 years of age who were in secondary education to pay for childcare at an approved (licensed or chartered) early childcare centre or service. The payment covered school time, including the young parent's travel time if necessary. The payment was up to \$6 per hour for each child aged under five years, up to a maximum of \$180 each week. The money was paid by Work and Income directly to the centre or service, a week in arrears.
Youth Seminar	Youth Seminars target people on income support under the age of 24 and cover what vacancies are available and to keep participants focused on getting a job.
Youth Service (NEET)	Youth Service for NEET is a voluntary contracted case-management service for people between 15 and 17 years of age who are at risk of being not in education, employment or training (NEET). The Youth Service NEET providers are expected to provide a wrap-around service for the young person targeted according to their needs. Examples of services include brokering education, training or employment opportunities for young people, or helping young people source affordable accommodation. Payments to providers are in part linked to the outcomes of participants: participation in education or training, NCEA level 2 or higher qualifications, not be receiving a main benefit or serving a custodial sentence three months after the end of the school year/end of training course following their 18th birthday.
Youth Service (YPP)	The Youth Service YPP is a mandatory contracted case-management programme for people receiving the Young Parent Payment. Youth Service providers' case-manage participants, including managing income support entitlements, managed financial assistance and wrap-around support. The overall objective of the Youth Service YPP is to reduce long-term benefit receipt, assist participants to achieve NCEA level 2 or higher qualifications and improve their life skills.

Intervention	Description
Youth Service (YP)	The Youth Service YP is a compulsory contracted case-management programme for people receiving the Youth Payment (YP). Youth Service providers' case manage participants, including income support, managed financial assistance and wrap-around support. The overall objective of the Youth Service YP is to reduce long-term benefit receipt, assist participants to achieve NCEA level 2 or higher qualifications and improve their life skills. Payments to providers are in part based on the outcomes achieved by participants.
Youth Training	The purpose of Youth Training was to provide fully subsidised programmes for young people to gain useful skills and national qualifications needed to gain employment or further education and training. Youth Training programmes provide a variety of approaches including many alternatives to 'classroom' type teaching. There is a diverse range of programmes to choose from, and training takes place in a variety of settings including marae, polytechnics, community organisations, and in the workplace with employers.
Youth Transitions Services	Youth Transition Services (YTS) was a voluntary case-management service that assisted school leavers into further education, training, work or other meaningful activities. The goal of the service was to improve participants' long-term independence and wellbeing.

**Interventions:** The table only shows interventions that had more than \$10,000 in expenditure in any of the financial years between 2010/2011 and 2016/2017.

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